Idaho Economic Forecast

DIRK KEMPTHORNE, Governor **Division of Financial Management**

Vol. XXIII, No. 3 **ISSN 8756-1840**
July 2001

- **Forecast 2001-2004**
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IDAHO ECONOMIC FORECAST 2001 - 2004

State of Idaho
DIRK KEMPTHORNE
Governor

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07-01/385/010200-180-4001

PREFACE

Idaho's economy continues to grow and evolve as it enters the 21st Century. The 1980s was a decade of stop-and-start economic performance. However, it also ushered in one of the longest expansions in the state's history. Since 1987, nonfarm employment has expanded in every year and consistently placed Idaho among the top ten fastest growing states in the nation. The 1990s saw a flood of new residents move into the state, causing the population to expand by an astounding 29% from 1990 to 2000. Over this period Idaho personal income nearly doubled. Much of the current expansion results from ongoing structural changes in Idaho's economy.

One of the biggest changes is rise of the state's high-technology sector. Virtually nonexistent in the 1970s, this sector achieved critical mass in the 1990s to become the state's largest manufacturing employer. The growth of industry giants, such as Micron Technology and Hewlett-Packard, as well as the emergence and expansion of smaller companies, pushed payrolls above even the most optimistic forecasts made in the 1980s. The state's trade sector has also been going through a transformation. The last decade witnessed an influx of national "big box" merchandisers. During this same time, Idaho merchants successfully reached beyond the state's borders. Several regional shopping centers were established that serve locals, as well as attract shoppers from other states and Canada. Visitors fueled the surge in tourism that also benefited trade. Like its national counterpart, the service sector accounts for most of the nonfarm jobs in Idaho. Tourism has also been a boon to the service industry. While traditional factors, such as increasing discretionary income, continue to fuel the demand for services, other influences have emerged. For example, the use of temporary employees in manufacturing has bolstered business services employment. Idaho's outstanding work force has been a major factor in attracting call centers, back office operations, and credit companies.

While many changes are taking place today, traditional resource industries still play a major role in Idaho's economy. Indeed, the state's mining, agriculture, and timber sectors all experienced lulls in the late 1990s. While displaying more resilience to downturns than in the past, these industries are not totally immune from business-cycle effects. This continuing dependence on natural resources will bring a host of challenges as Idaho. These challenges include competition among agriculture, fisheries, and expanding population, for water and energy; the environmental impacts of the economically important mining, timber, agricultural, and tourism industries; and the many other pressures of an expanding population on the state's natural and fiscal resources.

Other factors that are external to the state's economy will present challenges this decade to public and private decision makers. Public policy decisions made in Washington, D.C. affect resource industry and federal installations such as the Idaho National Engineering and Environmental Laboratory and the Mountain Home Air Force Base. Finding balanced and acceptable solutions to endangered and threatened species issues and timber supply issues are of major economic significance.

In order to deal effectively with these challenges, public and private decisions need to be made with a thorough understanding of the structure of the state's economy. It is to this end that the *Idaho Economic Forecast* is directed.

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INTRODUCTION

The national forecast presented in this publication is the June 2001 DRI*WEFA baseline forecast of the U.S. economy. The April 2001 *Idaho Economic Forecast* is based on the November 2000 Standard and Poor's DRI national forecast.

The productivity surge in recent years has been a welcome addition to the current economic expansion. For most of the 1970s and 1980s, growth of nonfarm output per hour proved disappointing, especially when compared to the gains experienced in the 1950s and 1960s. Rapid productivity growth returned in the second half of the 1990s. The cover graph includes both the recent history and short-term forecast of U.S. productivity growth.

FEATURE

The feature article is "The Future of the New Economy." It documents the sources of the increased productivity growth in the second half of the 1990s and the evidence for the New Economy and then provides a discussion of the prospects for growth over the next decade. This article was written by Charles I. Jones. Dr. Jones is an Assistant Professor at Stanford University and a Visiting Scholar at the Federal Reserve Bank of San Francisco.

THE FORECAST

Alternative assumptions concerning future movements of key economic variables can lead to major variations in national and/or regional outlooks. DRI*WEFA examines the effects of different economic scenarios, including the potential impacts of international recessions, higher inflation, and future Federal Reserve Board decisions. Alternative Idaho economic forecasts were developed under different policy and growth scenarios at the national level. These forecasts are included in this report.

Historical and forecast data for Idaho and the U.S. are presented in the tables in the middle section of this report. Detail is provided for every year from 1985 to 2004 and for every quarter from 1999 through 2004. The solution of the Idaho Economic Model for this forecast begins with the first quarter of 2001.

Descriptions of the DRI*WEFA U.S. Macroeconomic Model and the Idaho Economic Model are provided in the Appendix. Equations of the Idaho Economic Model and variable definitions are listed in the last pages of this publication.

CHANGES

Global Insight announced on May 8, 2001 the formation of a new economic and financial information, forecasting, software, and consulting companying. A major part of this move merges two economic forecasting giants, Standard and Poor's DRI and WEFA, into a single entity that is known as DRI*WEFA. Prior to the merger, DFM contracted with Standard & Poor's DRI. Post merger, we are using the services of the new company DRI*WEFA. This change should have a minimal impact on the subscribers of the *Idaho Economic Forecast*.

The employment data that appear in this publication are based on monthly estimates provided by the Idaho Department of Labor. The Department of Labor has finalized employment numbers for 2000 and provided

estimates for the first three months of 2001. All of these data have been seasonally adjusted and converted into quarterly estimates by the Division of Financial Management (DFM).

These current data show that Idaho nonfarm employment was slightly stronger (442) last year than had been previously estimated. Most of this change reflected the unanticipated strength in the fourth quarter of 2000. The goods–producing sector accounted for about a third of the annual revision, and the services-producing sector accounted for the remainder.

The tables in this forecast include the U.S. Department of Commerce's Bureau of Economic Analysis (BEA) estimates of Idaho quarterly personal income through the last quarter of 2000. In addition to the new income estimates, the Idaho quarterly income estimates for the first quarter of 1997 through the third quarter of 2000 have been revised. The annual revisions to 1997 through 1999 Idaho total nominal personal incomes are less than $50 million. The upward revision to the 2000 estimate was eight times as large as the other revisions, with the wages and salary payments and farm proprietors' income components accounting for most of this boost. The BEA will release its next round of Idaho personal income estimates in late July 2001.

These recent data revisions, as well as the availability of additional information, provided DFM with the opportunity to review and revise the Idaho Economic Model (IEM). As in the past, the model's structure was examined. As an integral part of this process, all of the stochastic equations in the model were reestimated and evaluated to take advantage of the most current data available. These equations were then incorporated into the IEM. A complete listing of the model's structure, as well as definitions for each of the endogenous and exogenous variables in the model, has been included in the Appendix of this publication.

The *Idaho Economic Forecast* is available on the Internet at http://www.state.id.us/dfm/econinfo.htm. Readers with any questions should contact Derek Santos at (208) 334-3900 or at dsantos@dfm.state.id.us.

SUBSCRIPTIONS

You can access the *Idaho Economic Forecast* for free at http://www2.state.id.us/dfm/econinfo.htm.

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EXECUTIVE SUMMARY

The outlook for the Idaho economy has softened compared to the previous one for the second time this year. However, the current change is much less dramatic than the April 2001 revision. After this year, the divergence between the two forecasts becomes more noticeable. Two main reasons for this are slower growth of the national economy after 2001 than was previously believed and higher inflation. In the April 2001 forecast, Idaho nonfarm employment growth was expected to hit its nadir of 1.5% in 2001 then begin to climb steadily. In the current forecast, Idaho nonfarm employment growth, after posting a 1.6% showing this year, bottoms out at 1.4% in 2002. Because of this slower pace, Idaho nonfarm employment goes from being 635 (0.1%) higher in 2001 than forecast in April 2001 to nearly 2,600 (0.4%) lower by 2004. The combination of slower employment growth, higher inflation, and lower interest rates dampens Idaho real personal income growth. Previously, this important measure of the state's economic health was anticipated to rise 3.0% in 2001, 3.7% in 2002, and 4.5% in both 2003 and 2004. In the current forecast, Idaho real personal income advances just 1.8% this year, 2.8% next year, and about 4.0% in both 2003 and 2004. As a result, Idaho nonfarm personal income is $610 million lower (1.8%) in 2004 than was previously forecasted. Although the outlook for the Idaho economy has weakened since the last forecast was published, a couple of important characteristics remain in place. In the previous forecast it was noted that Idaho's economy was expected to slow, but not stall or retreat. It was also pointed out that the state's economy was projected to fare better than the national economy. Both of these observations remain true in the July 2001 forecast

It appears the economy is weaker than was previously projected. In January 2001, it was believed the U.S. economic slowdown would be mild and that the economy would enjoy a speedy recovery. The economy's prognosis was downgraded last spring and again this summer. In the July 2001 forecast, real GDP manages to grow just 1.7% this year--which is less than half of what was expected in January 2001 and well below its potential. The economy's current condition has been labeled a "U" Scenario. This is because the slow decline in real GDP and gradual recovery resembles the 21st letter of our alphabet. While the U.S. economy is expected to perform below par over the next few years, its condition is far from terminal. Under current conditions, the nation's economy is projected to slow, but not decline. It should gradually pick up speed after 2001, but this growth is expected to be less than experienced in the latter 1990s.

IDAHO ECONOMIC FORECAST

EXECUTIVE SUMMARY

JULY 2001

	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
GDP (BILLIONS)										
Current $	7,401	7,813	8,318	8,790	9,299	9,963	10,386	10,898	11,512	12,142
% Ch	*4.9%*	*5.6%*	*6.5%*	*5.7%*	*5.8%*	*7.1%*	*4.2%*	*4.9%*	*5.6%*	*5.5%*
1996 Chain-Weighted	7,544	7,813	8,159	8,516	8,876	9,318	9,477	9,697	9,998	10,311
% Ch	*2.7%*	*3.6%*	*4.4%*	*4.4%*	*4.2%*	*5.0%*	*1.7%*	*2.3%*	*3.1%*	*3.1%*
PERSONAL INCOME - CURR $										
Idaho (Millions)	22,869	24,174	25,227	26,984	28,627	31,288	32,610	34,222	36,384	38,618
% Ch	*6.9%*	*5.7%*	*4.4%*	*7.0%*	*6.1%*	*9.3%*	*4.2%*	*4.9%*	*6.3%*	*6.1%*
Idaho Nonfarm (Millions)	22,073	23,298	24,557	26,092	27,686	30,168	31,539	33,116	35,243	37,462
% Ch	*6.6%*	*5.6%*	*5.4%*	*6.2%*	*6.1%*	*9.0%*	*4.5%*	*5.0%*	*6.4%*	*6.3%*
U.S. (Billions)	6,201	6,547	6,937	7,391	7,790	8,282	8,677	9,074	9,582	10,099
% Ch	*5.3%*	*5.6%*	*6.0%*	*6.5%*	*5.4%*	*6.3%*	*4.8%*	*4.6%*	*5.6%*	*5.4%*
PERSONAL INCOME - 1996 $										
Idaho (Millions)	23,360	24,172	24,745	26,189	27,301	29,141	29,665	30,483	31,693	32,920
% Ch	*4.5%*	*3.5%*	*2.4%*	*5.8%*	*4.2%*	*6.7%*	*1.8%*	*2.8%*	*4.0%*	*3.9%*
Idaho Nonfarm (Millions)	22,546	23,297	24,088	25,323	26,403	28,099	28,691	29,497	30,699	31,935
% Ch	*4.2%*	*3.3%*	*3.4%*	*5.1%*	*4.3%*	*6.4%*	*2.1%*	*2.8%*	*4.1%*	*4.0%*
U.S. (Billions)	6,334	6,547	6,805	7,173	7,430	7,714	7,893	8,083	8,347	8,609
% Ch	*3.0%*	*3.4%*	*3.9%*	*5.4%*	*3.6%*	*3.8%*	*2.3%*	*2.4%*	*3.3%*	*3.1%*
HOUSING STARTS										
Idaho	9,362	9,223	8,861	10,118	10,331	11,527	10,856	10,130	9,907	10,249
% Ch	*-26.7%*	*-1.5%*	*-3.9%*	*14.2%*	*2.1%*	*11.6%*	*-5.8%*	*-6.7%*	*-2.2%*	*3.4%*
U.S. (Millions)	1.361	1.469	1.475	1.621	1.647	1.575	1.563	1.506	1.524	1.557
% Ch	*-5.9%*	*7.9%*	*0.4%*	*9.9%*	*1.6%*	*-4.4%*	*-0.8%*	*-3.6%*	*1.2%*	*2.1%*
TOTAL NONFARM EMPLOYMENT										
Idaho (Thousands)	477.4	492.6	508.7	521.5	539.1	559.2	568.0	575.9	588.4	602.9
% Ch	*3.5%*	*3.2%*	*3.3%*	*2.5%*	*3.4%*	*3.7%*	*1.6%*	*1.4%*	*2.2%*	*2.5%*
U.S. (Millions)	117.2	119.6	122.7	125.8	128.9	131.8	132.7	133.6	134.9	136.4
% Ch	*2.7%*	*2.0%*	*2.6%*	*2.6%*	*2.4%*	*2.2%*	*0.7%*	*0.7%*	*1.0%*	*1.1%*
SELECTED INTEREST RATES										
Federal Funds	*5.8%*	*5.3%*	*5.5%*	*5.4%*	*5.0%*	*6.2%*	*4.3%*	*3.6%*	*4.2%*	*4.7%*
Bank Prime	*8.8%*	*8.3%*	*8.4%*	*8.4%*	*8.0%*	*9.2%*	*7.3%*	*6.6%*	*7.2%*	*7.7%*
Existing Home Mortgage	*7.8%*	*7.7%*	*7.7%*	*7.1%*	*7.3%*	*8.0%*	*7.5%*	*7.7%*	*7.7%*	*7.8%*
INFLATION										
GDP Price Deflator	*2.2%*	*1.9%*	*1.9%*	*1.3%*	*1.5%*	*2.1%*	*2.4%*	*2.5%*	*2.5%*	*2.3%*
Personal Cons Deflator	*2.3%*	*2.2%*	*1.9%*	*1.1%*	*1.8%*	*2.4%*	*2.4%*	*2.1%*	*2.3%*	*2.2%*
Consumer Price Index	*2.8%*	*2.9%*	*2.3%*	*1.5%*	*2.2%*	*3.4%*	*3.4%*	*2.5%*	*2.4%*	*2.3%*

National Variables Forecast by DRI*WEFA
Forecast Begins the FIRST Quarter of 2001

IDAHO ECONOMIC FORECAST

EXECUTIVE SUMMARY

JULY 2001

	2001				2002				2003			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
GDP (BILLIONS)												
Current $	10,229	10,328	10,458	10,528	10,693	10,833	10,962	11,103	11,282	11,437	11,586	11,745
% Ch	*4.6%*	*3.9%*	*5.1%*	*2.7%*	*6.4%*	*5.3%*	*4.9%*	*5.2%*	*6.6%*	*5.6%*	*5.3%*	*5.6%*
1996 Chain-Weighted	9,424	9,449	9,512	9,523	9,602	9,667	9,727	9,794	9,886	9,962	10,033	10,112
% Ch	*1.3%*	*1.1%*	*2.7%*	*0.5%*	*3.3%*	*2.8%*	*2.5%*	*2.8%*	*3.8%*	*3.1%*	*2.9%*	*3.2%*
PERSONAL INCOME - CURR $												
Idaho (Millions)	32,075	32,450	32,835	33,081	33,493	33,965	34,463	34,968	35,533	36,113	36,673	37,218
% Ch	*5.2%*	*4.8%*	*4.8%*	*3.0%*	*5.1%*	*5.8%*	*6.0%*	*6.0%*	*6.6%*	*6.7%*	*6.3%*	*6.1%*
Idaho Nonfarm (Millions)	31,083	31,408	31,704	31,962	32,410	32,882	33,344	33,828	34,410	34,980	35,519	36,060
% Ch	*4.9%*	*4.2%*	*3.8%*	*3.3%*	*5.7%*	*6.0%*	*5.7%*	*5.9%*	*7.1%*	*6.8%*	*6.3%*	*6.2%*
U.S. (Billions)	8,555	8,638	8,722	8,791	8,905	9,018	9,130	9,243	9,389	9,522	9,647	9,772
% Ch	*6.1%*	*4.0%*	*3.9%*	*3.2%*	*5.3%*	*5.2%*	*5.1%*	*5.0%*	*6.5%*	*5.8%*	*5.4%*	*5.3%*
PERSONAL INCOME - 1996 $												
Idaho (Millions)	29,435	29,584	29,773	29,869	30,071	30,338	30,624	30,897	31,212	31,546	31,859	32,155
% Ch	*2.0%*	*2.0%*	*2.6%*	*1.3%*	*2.7%*	*3.6%*	*3.8%*	*3.6%*	*4.1%*	*4.4%*	*4.0%*	*3.8%*
Idaho Nonfarm (Millions)	28,524	28,634	28,747	28,859	29,099	29,371	29,630	29,889	30,226	30,557	30,857	31,155
% Ch	*1.7%*	*1.6%*	*1.6%*	*1.6%*	*3.4%*	*3.8%*	*3.6%*	*3.6%*	*4.6%*	*4.4%*	*4.0%*	*3.9%*
U.S. (Billions)	7,851	7,876	7,908	7,938	7,996	8,055	8,113	8,167	8,247	8,318	8,381	8,442
% Ch	*2.8%*	*1.2%*	*1.7%*	*1.5%*	*3.0%*	*3.0%*	*2.9%*	*2.7%*	*4.0%*	*3.5%*	*3.1%*	*3.0%*
HOUSING STARTS												
Idaho	11,219	10,982	10,732	10,490	10,344	10,193	10,064	9,920	9,866	9,864	9,906	9,993
% Ch	*-6.2%*	*-8.2%*	*-8.8%*	*-8.7%*	*-5.5%*	*-5.7%*	*-5.0%*	*-5.6%*	*-2.2%*	*-0.1%*	*1.7%*	*3.6%*
U.S. (Millions)	1.625	1.561	1.525	1.541	1.524	1.499	1.497	1.504	1.507	1.521	1.531	1.539
% Ch	*24.2%*	*-14.9%*	*-8.9%*	*4.4%*	*-4.5%*	*-6.3%*	*-0.5%*	*1.8%*	*0.9%*	*3.8%*	*2.5%*	*2.1%*
TOTAL NONFARM EMPLOYMENT												
Idaho (Thousands)	565.6	567.1	568.9	570.5	572.2	574.3	577.0	580.1	583.2	586.6	590.1	593.6
% Ch	*1.0%*	*1.1%*	*1.3%*	*1.1%*	*1.1%*	*1.5%*	*1.9%*	*2.2%*	*2.2%*	*2.4%*	*2.4%*	*2.4%*
U.S. (Millions)	132.6	132.5	132.7	132.9	133.2	133.4	133.7	134.0	134.4	134.7	135.0	135.4
% Ch	*0.9%*	*-0.2%*	*0.8%*	*0.6%*	*0.8%*	*0.4%*	*1.0%*	*0.9%*	*1.1%*	*1.1%*	*0.9%*	*1.1%*
SELECTED INTEREST RATES												
Federal Funds	*5.6%*	*4.3%*	*3.6%*	*3.5%*	*3.5%*	*3.5%*	*3.5%*	*3.8%*	*4.0%*	*4.1%*	*4.3%*	*4.4%*
Bank Prime	*8.6%*	*7.3%*	*6.6%*	*6.5%*	*6.5%*	*6.5%*	*6.5%*	*6.7%*	*7.0%*	*7.1%*	*7.3%*	*7.4%*
Existing Home Mortgage	*7.2%*	*7.4%*	*7.6%*	*7.9%*	*7.8%*	*7.6%*	*7.6%*	*7.7%*	*7.7%*	*7.7%*	*7.7%*	*7.7%*
INFLATION												
GDP Price Deflator	*3.2%*	*2.6%*	*2.4%*	*2.2%*	*3.0%*	*2.5%*	*2.3%*	*2.4%*	*2.7%*	*2.4%*	*2.4%*	*2.3%*
Personal Cons Deflator	*3.2%*	*2.6%*	*2.2%*	*1.7%*	*2.3%*	*2.1%*	*2.1%*	*2.3%*	*2.4%*	*2.2%*	*2.2%*	*2.2%*
Consumer Price Index	*4.2%*	*3.8%*	*2.8%*	*2.2%*	*2.7%*	*2.3%*	*2.3%*	*2.4%*	*2.5%*	*2.3%*	*2.3%*	*2.4%*

National Variables Forecast by DRI*WEFA
Forecast Begins the FIRST Quarter of 2001

NATIONAL FORECAST DESCRIPTION

The Forecast Period is the First Quarter of 2001 through the Fourth Quarter of 2004

It appears that Dr. Greenspan's patient is sicker than had originally been diagnosed. In January 2001, it was believed the U.S. economic slowdown would be mild and that the economy would enjoy a speedy recovery. Although down from 2000's healthy performance, real GDP growth was still expected to advance 3.6%--near its potential. It was projected to pick up speed to 4.3% in 2002 and 4.8% in 2003, then settle back to 3.8% in 2004. The economy's prognosis was downgraded last spring. In the July 2001 forecast, real GDP manages to grow just 1.7%--which is less than half of what was expected in January 2001 and well below its potential. Despite this setback, forecasters still believed the economy would make a quick and full recovery. Real GDP would be back on its feet in no time; it would expand 3.3% in 2002, 4.4% in 2003, and 4.0% in 2004. After consulting their charts, forecasters now believe the economy is in for a protracted convalescence. The April 2001 forecast shows real GDP experiencing sub-par growth throughout the forecast period.

The economy's current condition has been labeled a "U" Scenario. This is because the slow decline in real GDP and gradual recovery resembles the 21st letter of our alphabet. Of course, it may be worthwhile to get a second opinion. Indeed, other outcomes are also possible. We consider three that contribute to our alphabet soup of scenarios.

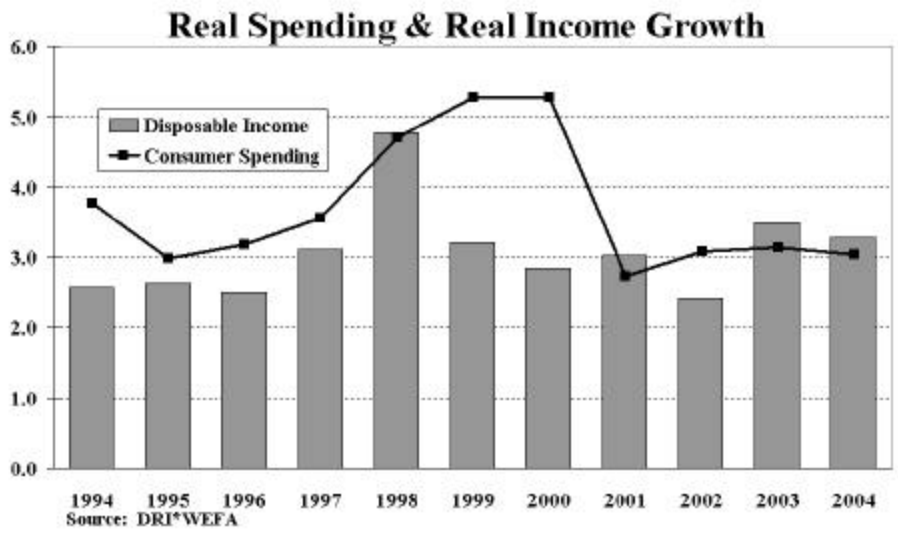
There is still a chance the economy could recover quicker than is being forecast. A key ingredient for this kind of recovery is for a quick end to the high-tech slump. This would allow for a rebound in business investment and a return to higher productivity growth rates. This recovery would also be helped by stronger demand. This could happen if consumers spend their federal tax rebates more freely than had been anticipated. Inflation should not be a problem in this scenario because the worldwide excess of manufacturing capacity should help keep prices in check. Not surprisingly, this has been labeled the "V" Scenario.

One of the concerns is that the "V" Scenario could turn into a "W" Scenario. As its name implies, the quick strong recovery would be followed by another economic downturn. In some respects it is like the "V" Scenario. However, growth in the U.S. and the rest of the world is considerably stronger and synchronized. The stronger demand is enhanced by the federal tax rebates. The labor market remains tight. Unfortunately, productivity growth languishes. The combination of a stronger labor market and poor productivity growth cause unit labor costs to soar. High energy prices add further fuel to inflation. The Federal Reserve tightens in response, and this causes the economy to falter.

But the "W" Scenario is not as bad as the "L" Scenario. In this case, the economy falls into a funk it is unable to shake. Several factors contribute to this scenario. Global imbalances take longer to work out. High levels of U.S. indebtedness constrain growth. Productivity growth fizzles out. The energy crisis spreads. As a result, the United States suffers through an extended period of stagflation. The major risk in this scenario is that prolonged investment busts combined with stock market collapses have resulted in "lost decades." An example of this would be Japan's economic doldrums since the 1990s.

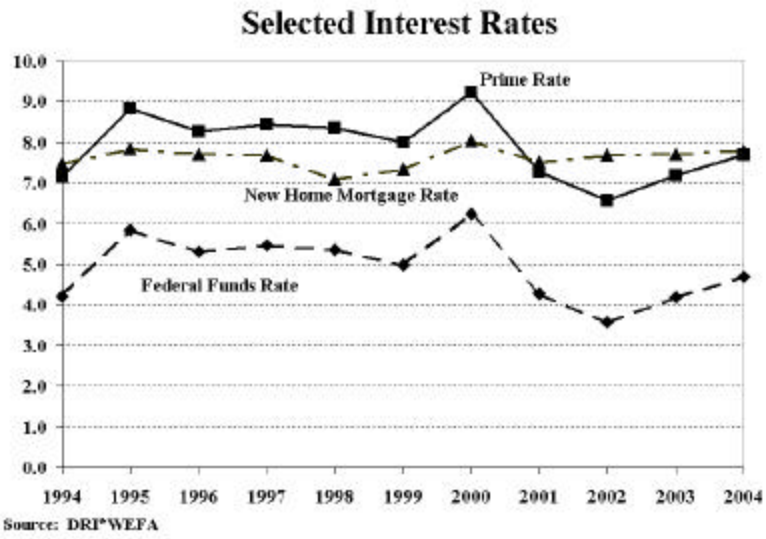
While the U.S. economy is expected to perform below par over the next few years, its condition is far from terminal. Under current conditions, the nation's economy is projected to slow, but not decline. It should gradually pick up speed after 2001, but this growth is expected to be less than experienced in the latter 1990s and below its potential.

SELECTED NATIONAL ECONOMIC INDICATORS



Consumer Spending: Whether the U.S. economy suffers a recession in the next few months, hinges on how well the consumer sector performs. Should American consumers develop a bout of cold feet, the end to the record economic expansion may indeed be near. However, this is not likely to be the case. Recent history has shown that American consumers have grown resilient to factors that in the past would have curtailed their spendthrift ways. This resilience has kept the economy from breaching a recession's event horizon. One must go back to the end of the 1990-91 recession to see how creative consumers have been in order to continue their nearly decade-long shopping spree. Soon after the last economic downturn, consumers were anxious to make up for lost ground. They spent eagerly to make purchases, especially of large-ticket items, that had been postponed. Thus, real consumer spending rose nearly 2.9% in 1992, after experiencing less than 2.0% growth in 1990 and virtually no growth in 1991. After plummeting more than 6.0% in 1991, real spending on durable consumer goods advanced over 5.0% in 1993. As time passed, the spending continued to soar. By 1993, consumers were spending money faster than they were making it—a reversal of the previous two years when income growth out paced spending growth. In an effort to finance their spending, consumers turned to their savings. This was a logical choice; fears during the recession had curbed spending, which helped to fatten savings accounts. The U.S. personal savings rate actually dimbed from 7.8% in 1990 to 8.7% in 1992. Since then it has declined steadily, and by 2000 it was slightly negative. In fairness, unbridled spending was not the sole reason for this decline. The stock market grew strongly during the second half of the 1990s. As household asset values swelled, the need to "set aside something for the future" decreased, and this also contributed to the decline in the personal savings rate. When tapping their savings accounts did not provide enough to finance expanded spending, consumers took on more debt. This can be seen by comparing the ratio of nonmortgage consumer credit to disposable income over time. In 1992, this ratio was 16.5%, which is well below its long-term average of 18.9%. But in three years, it was well above the average at 20.2%. It has continued to grow steadily since then, hitting 22.0% in 2000. Consumers' willingness to take on greater levels of debt parallels the increase in consumer confidence during this time. Bolstered by strong job and stock markets and low inflation and interest rates, consumer confidence climbed steadily to a record of 110.1 in the first quarter of 2000. However, it retreated slightly in the following few quarters. It then dropped to below 100 in the first quarter of 2001 for the first time in four years. This decline reflected consumers concerns about the cooling economy and the stock market turmoil. It should be pointed out, while consumer confidence is lower than it was the same time last year, it is still above average. In addition, recent monthly data suggest consumers' moods have been improving recently. This positive outlook will help consumer spending move ahead. The federal income tax rebate should also boost spending in the latter part of this year. As consumers max out their credit cards and attempt to rebuild savings, real consumer spending is expected to grow more in line with real disposable income. Specifically, real consumer spending should advance 2.7% in 2001, 3.1% in 2002, 3.1% in 2003, and 3.0% in 2004.

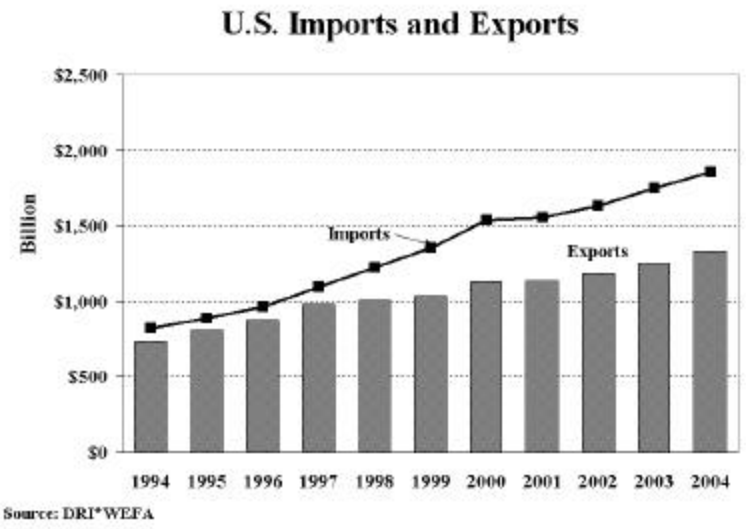
Financial: The nation's central bank fired its latest shot in the battle to revive the floundering economy on June 27, 2001. Citing declining profitability and business capital spending, weak consumer spending, and slow growth abroad, the Federal Reserve announced that it was lowering its federal funds rate target by 25 basis points, from 4.0% to 3.75%. This marked the sixth decrease since the beginning of this year, and the federal funds rate is at its lowest level in seven years. What remains to be seen is when the Federal Reserve will stop lowering short-term interest rates. Several factors suggest we may be nearing that point. The 25-basis-point decrease was the smallest this year. While the Federal Reserve may not yet be done tapping on the brakes, it does appear to be letting up on the gas. There is some evidence the economy is stabilizing. In fact, on the same day the Federal Reserve was making its most recent cut, the *Wall Street Journal* reported consumer confidence, new home sales, and durable goods orders were improving. Even in the trough of the last recession, the federal funds rate was only down to 3.0%. In this forecast, it is assumed the Federal Reserve will cut the federal funds rate by another 25 basis points to 3.5% later this year. It will then take a wait-and-see approach, and leave the federal funds rate at this level through most of next year. The central bank is not expected to raise rates again until the last quarter of 2002. The outlook for the federal funds rate and several other key interest rates are illustrated in the accompanying chart.



Housing: The future of the U.S. housing sector has been clouded by conflicting reports. Some data show this sector, which has shown remarkable longevity, may finally be feeling the pinch of the cooling economy. Total housing starts declined 3.4% from January 2001 to April 2001. This drop was entirely concentrated in multi-family units, which dropped an astonishing 15%. Single-family starts actually increased 6.7% over the same period. Not all the news about single-family housing was positive, however. For example, sales of new one-family homes were down 10% in April 2001 compared to March 2001. Existing single-family sales slumped in April as well, falling 4.2%. Meanwhile, new housing permits dropped 2.5% in April 2001, resulting in a three-month slide. Other data suggest the situation may not be as negative. Housing sales, starts, and permits all experienced a strong boost at the beginning of this year thanks to low mortgage interest rates. And it should be pointed out that housing sales and starts remain historically high despite remaining below their 2000 peaks. Indeed, existing single-family homes sold at a 5.2-million-unit

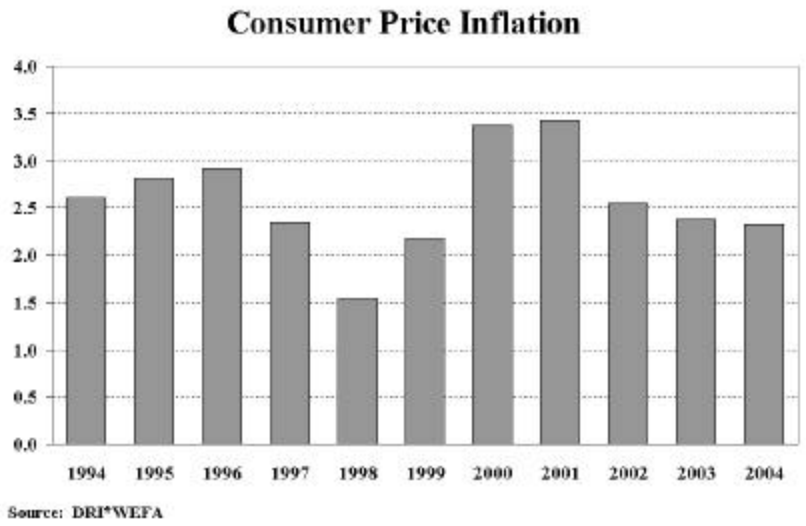
annual pace in April, which was 1.6% above their 2000 average. Single-family housing starts in April were 4.5% above last year's average. The mixed signals in the recent data suggest the housing sector, while softening, remains at high levels of activity. This also summarizes the outlook for this sector. Slackening economy and falling consumer confidence should gradually offset the boost from low mortgage interest rates. U.S. housing starts are forecast to fall 0.8% this year and 3.6% next year, then they grow 1.2% in 2003 and 2.1% in 2004. Thus, the housing sector should be a slight drag on the economy over the next two years.

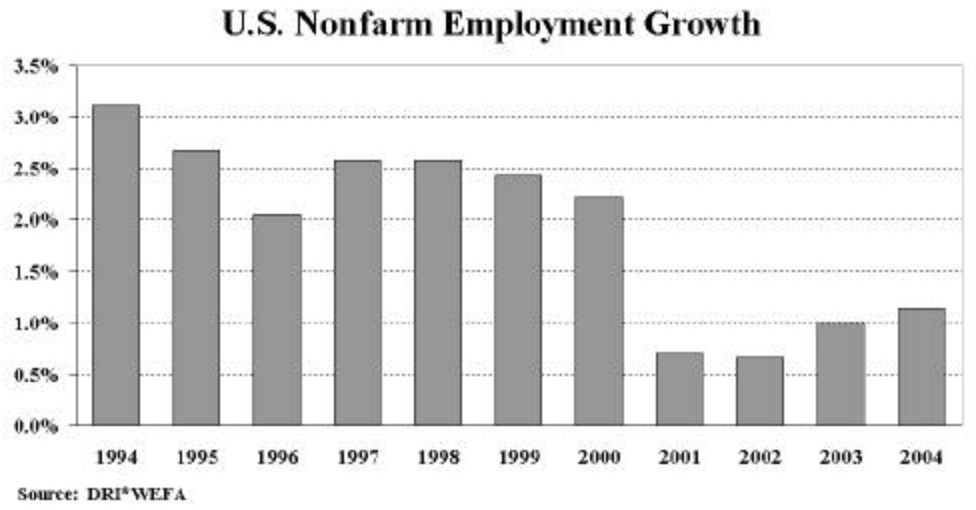
International: The economic fortunes of the United State's trading partners will vary by how dependent they are on exports. Obviously, those that will be hardest hit by the cooling of the U.S. are regions like Asia whose economies depend heavily on imports to the U.S. The United States and Asia together accounted for 50-75% of Asia's exports. Thus, it will be impacted by an economic slowdown in the U.S. Due to Asia's significant inter-regional trade, there is a danger that its weakening domestic demand could create a vicious cycle, in which slowing domestic demand and exports reinforce each other. Japan's expected lackluster growth will provide little support in Asia. The signs of slowing are already surfacing. Excluding Japan and China, Asia's industrial production growth has slowed markedly since last year, from 16.7% in August 2000 to 4.6% in December 2000. Much of this decline has been due to sagging export growth. In fact, the rate of Asia's export gains plunged in late 2000, from around 26.0% in August to 6.0% in December. Europe should fare better because its trade patterns are more interregional than Asia's. Thus, while this region's growth is also expected to slow, it will not be as noticeable as in Asia. In fact, for the first time since 1991, Europe is expected to grow faster than the U.S. in 2001 and 2002. Closer to home, Canadian economic growth, while slower than it pace in 2000, should also be higher than in the U.S. The outlook is considerably weaker for Mexico and South America (Argentina, Brazil, Chile, Columbia, Ecuador, Peru, and Venezuela). Mexico is expected to struggle through this year and eke out just 2.9% real GDP growth. This is a significant slow down from the previous year when the Mexican economy expanded by a healthy 6.9%. It is anticipated that South America will advance just 2.1% this year. Both the Mexican and South American economies will pick up steam next year. Mexico's economy should grow 4.8%, while the South American economy should rise 3.0%.



Inflation: There appears to be little danger of inflation re-igniting, despite recent price increases. Recent data indicate we are on the downhill slope of an inflation peak. The producer price index (PPI) for finished goods rose a seasonally-adjusted 0.3% in April 2001. But there is evidence inflation is decelerating. For the 12 months through April finished good prices were up 3.7%, but down from year-over-year rates recorded for January and February of 2001. Like the finished goods index, the consumer price index (CPI) rose 0.3% in April. This was quicker than in March, although the year-over-year increase of 3.3% was generally smaller than the gains posted over the prior six months. Other encouraging news comes from the National Association of Purchasing Managers (NAPM) and import prices. The NAPM reported prices paid by manufacturers fell for the third straight month in May 2001. For the 12 months ended in April, import prices are down 0.7%. Slower domestic growth, declining energy prices, rising unemployment, and excess manufacturing capacity worldwide all point to slower

price escalation in the months ahead. Downstream inflation should be limited by the benign producer level inflation. Producer price inflation should be limited by declining energy prices and ample manufacturing capacity. Domestically, manufacturing capacity utilization was at 77% this spring, which is well below the 82.0% threshold that usually signals building cost pressure. This condition was echoed overseas for a range of basic industries—metals, chemicals, autos, and paper—leaving plenty of room for growth without the danger of sparking inflation. Consumer inflation should also moderate over the near term. The forecast is for 3.4% consumer inflation in 2001, the same as last year. This stability in the year-to-year numbers, however, masks a deceleration in the CPI from a 4.2% annual rate at the beginning of 2001 to an annual rate of 2.2% at the end of that same year. Beyond 2001, consumer inflation should continue to trend gradually lower. Specifically, consumer price inflation is projected to be 2.5% in 2002, 2.4% in 2004, and 2.3% in 2004. The combination of lower energy prices and higher unemployment are the chief factors in the deceleration of the CPI over the near term. Lower energy costs have their biggest impact over the next four quarters. Smaller increases in employee compensation, reflecting the slackening labor markets, help to limit increases in the service components of the CPI, and serve to bring down the inflation forecast in late 2002 and 2003.

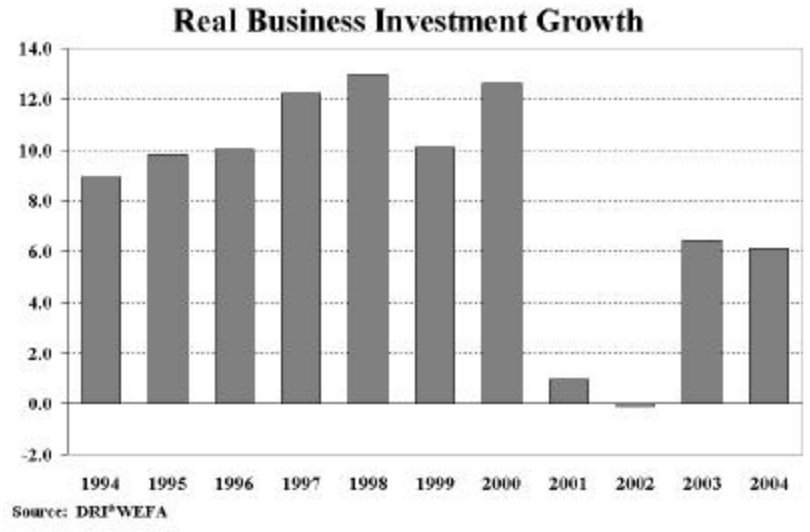




Employment: The tightest labor market in three decades should slacken over the next few years. The U.S. civilian unemployment rate dipped just below 4.0% in the last quarter of 2000. This marks the nadir of a trend that has seen the unemployment rate decline since the beginning of 1993. The last time the unemployment rate fell below 4.0% was at the end of 1969. During the 1990s the labor market passed a few mileposts that are worth reviewing. One of the unique features about the recovery from the 1990-91 recession was the slow job growth. It took over three years for the unemployment rate to drop to 6.0%, the level that was considered close to full employment at that time. It would take another two years, until 1996, to drop this measure back to its pre-recession level of around 5.3%. After this slow start, the employment picture continued to improve. By the end of 1997, the civilian unemployment rate was just under 5.0%. Many felt that at this level wages would start rising, and this would fuel higher inflation. A year later the unemployment rate had

fallen further to 4.4%, well below almost everyone's estimate of full employment. In spite of this, inflation remained tame. The unemployment rate declined another 50 basis point over the course of 1999. And by the end of last year it was below 4.0%. The increase in the number of jobs in the 1990s also attests to the strength of the employment sector. Since the end of the 1990-91 recession, the number of jobs has grown an average of 2.2% per year.

Business Investment: For the first time in several years, real investment growth is expected to trail overall economic growth. This marks a major reversal for this important sector. In a short period of time business investment has gone from being an important engine of economic expansion to a drag on the economy. Real nonresidential fixed investment grew significantly faster than real GDP in every year from 1992 to 2000. By 1998, real business investment growth was nearly three times as fast as real GDP. Fueling this growth was the investment in high-tech equipment. From 1991 to 2000, real investment in communications equipment expanded by nearly 14.0% annually. Real spending on software by businesses increased 18.0% per year. But these figures pale in comparison to investment in computer equipment, which grew 39.3% per year over the same period. Several factors account for this stellar growth. First, intense competitive pressures forced American businesses to invest in new technologies in order to raise productivity. Second, a tightening labor market forced companies to replace labor with capital. Third, a flood of new technologies shortened the life cycle of many existing products, requiring constant investment in order to be at the state of the art. Fourth, technology had to make up for shortness of skills in the labor force. Fifth, low interest rates increased the affordability of these investments. The momentum from nine years of strong growth is hard to control, so it is no surprise that high-tech investment over ran its headlights when the economy began to slow. Nominal investment in software, computer equipment, and communication equipment has plummeted, posting two straight quarters of decline. This has caused inventories to swell. This spring the manufacturers' inventory-to-shipments ratio stood at 2.2, which was well above last April's ratio of 1.4. To get the inventory-to-shipments ratio back down, manufacturers must cut production, write off billions of dollars of inventories, and endure dismal profits. The economy is expected to pick up speed in 2002. While this eventually should stimulate real business investment, a return to the 1990's boom condition is not anticipated. After rising nearly 13.0% in 2000, real business investment is projected to increase less than 1.0% in 2001, decline 0.1% in 2002, rise 6.4% in 2003, and advance 6.1% in 2004.



IDAHO FORECAST DESCRIPTION

The Forecast Period is the First Quarter of 2001 through the Fourth Quarter of 2004

The outlook for the Idaho economy has softened compared to the previous one for the second time this year. However, the current change is much less dramatic than the April 2001 revision. The April 2001 Idaho nonfarm employment forecast for 2001 was 3,900 (0.7%) lower than its January 2001 counterpart. Similarly, Idaho real personal income projection for April 2001 was $337 million (1.1%) lower than had been previously anticipated. In the current forecast, Idaho nonfarm employment for 2001 is actually 635 (0.1%) higher than in April 2001, but real income is down $13 million (0.2%). Thus, there is relatively little change between the current and previous forecast for 2001.

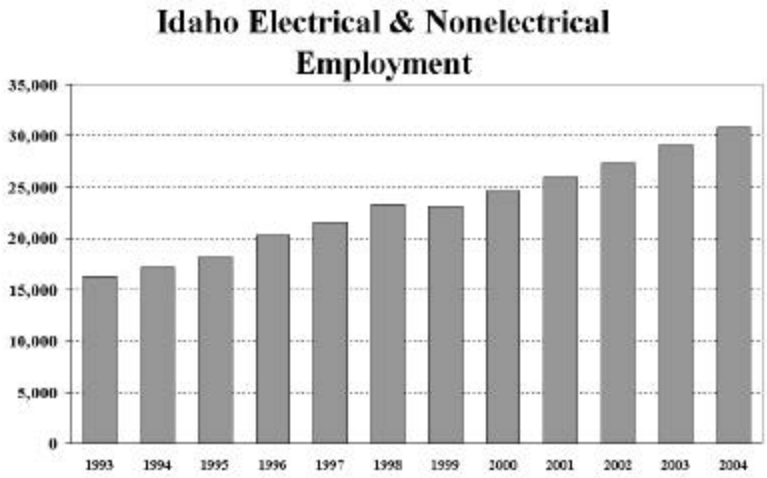
After this year, the divergence between the two forecast becomes more noticeable. Two main reasons for this are the national economy grows slower after 2001 than was previously believed and higher inflation takes a bigger bite out of growth. In the April 2001 forecast, Idaho nonfarm employment growth was expected to hit its nadir of 1.5% in 2001 then begin to climb steadily. Specifically, Idaho nonfarm employment was projected to expand 1.7% in 2002, 2.3% in 2003, and 2.6% in 2004.

In the current forecast, Idaho nonfarm employment growth, after posting a 1.6% showing this year, bottoms out at 1.4% in 2002. It advances by 2.2% in 2003 and 2.5% in 2004. Because of this slower pace, Idaho nonfarm employment goes from being 635 (0.1%) higher in 2001 than forecast in April 2001 to nearly 2,600 (0.4%) lower by 2004. The state's goods-producing sector accounts for most of this downward revision. By 2004, it is down by 1,823 jobs compared to the April 2001 forecast. Durable manufacturing takes the hardest hit; it is lower by nearly 1,300 jobs in 2004. Nondurable manufacturing employment is off about 400 jobs that same year, while mining employment is down by nearly 200. The broad-based services-producing sector is down by just over 700 jobs in 2004.

The combination of slower employment growth, higher inflation, and lower interest rates dampens Idaho real personal income growth. Previously, this important measure of the state's economic health was anticipated to rise 3.0% in 2001, 3.7% in 2002, and 4.5% in both 2003 and 2004. In the current forecast, Idaho real personal income advances just 1.8% this year, 2.8% next year, and about 4.0% in both 2003 and 2004. As a result, Idaho nonfarm personal income is $610 million lower (1.8%) in 2004 than was previously forecasted. Dividends, interest, and rent is the component of Idaho personal income that suffers the most from the anticipated lower interest rates. It was previously expected to average 3.9% over the forecast period. In the July 2001 forecast Idaho dividends, interest, and rent income is projected to average 2.7% growth. By 2004, it is nearly $350 million lower than had been previously projected.

Although the outlook for the Idaho economy has weakened since the last forecast was published, a couple of important characteristics remain in place. In the previous forecast it was noted that Idaho's economy was expected to slow, but not stall or retreat. It was also pointed out that the state's economy was projected to fare better than the national economy. Both of these observations remain true in the July 2001 forecast.

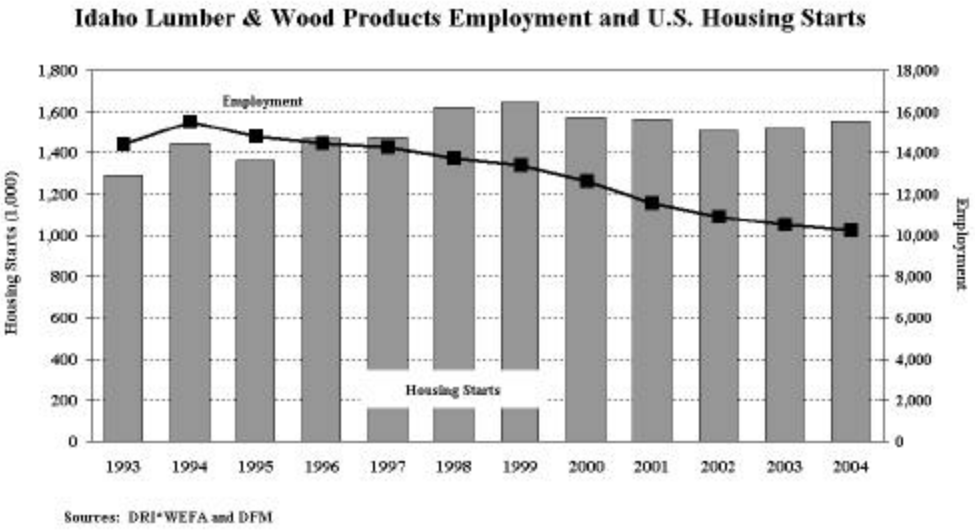
SELECTED IDAHO ECONOMIC INDICATORS



Electrical and Nonelectrical Machinery: The Gem State's largest manufacturing sector, electrical and nonelectrical machinery, continues to weather the most protracted downturn of the high-tech business cycle in recent memory. Part of this downturn is due to the collapse in real business spending, especially in its traditionally high-flying computer and communications components. The impact of this collapse has surfaced as the announcement of job cuts at several of Idaho's high-tech firms. MCMS cut about 400 jobs this winter as a result of low sales. MCMS supplies products to industry giants such as Cisco Systems and Nokia. SCP Global Technology makes semiconductor-manufacturing equipment. Lower sales caused it to reduce its work force by 150. Jabil Circuit is estimated to have laid off about 100 employees. This reduction comes as somewhat of a surprise because this company planned to double its manufacturing space in response to anticipated industry growth. This expansion would have added 700 new jobs over the next few years. The status of this expansion is clouded by the recent cutbacks. Micron Electronics, a manufacturer of personal computers, reduced its employment by about 515. This move reflects its decision to get out of manufacturing and focus on Internet services. The manufacturing side of the business was taken over by Gores Technology Group. AMI in Pocatello reduced its workforce by 200 this spring. Micron Technology has managed to avoid layoffs despite tough business conditions. It has, however, announced a temporary hiring freeze. The company usually hires 100 to 200 persons per month. The future employment of Hewlett-Packard's Boise site remains unclear given the company's ongoing restructuring. Sixty-five positions were lost in March 2001. The company announced in April that it was shrinking its management ranks, which could bring further reductions. Idaho's electrical and nonelectrical machinery sector employment growth should average 5.7% per year over the forecast period.

Lumber and Wood Products: Idaho lumber and wood products sector employment is expected to continue shrinking over the forecast period. This is the continuation of a region-wide downturn that began in the 1990s. The May 2001 issue of Random Length's *Yardstick* provides statistics on how widespread and severe this decline has been. The article points out that 29 to 54 sawmills and panel plants closed annually during the early 1990s. Put another way, as of this spring, there were 337 sawmills, plywood plants, veneer mills, and board mills operating in Oregon, Washington, California, Idaho, and Montana, which was just over half the 663 that were in operation ten years ago. Job losses have been high. From 1989 to April 2001, an estimated 43,581 jobs have been lost in the region. The number of Idaho lumber and wood products jobs has declined from 14,747 in 1989 to12,627 in 2000. Interestingly, the 5.4% decline in 2000 was the largest in recent years. Unfortunately, many of the factors that contributed to this decline are still present, which suggest challenges will remain for the next few years. First, falling product prices plagued this industry through most of 2000. Soft prices forced permanent job cuts at several Idaho mills. Potlatch Corporation let go of 140 salaried workers

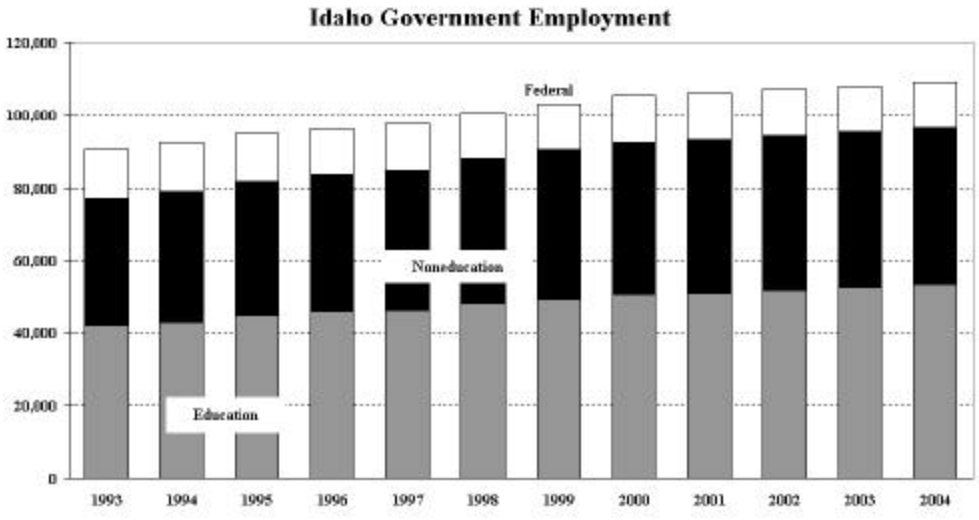
last summer. Crown Pacific closed its 150-employee Coeur d'Alene mill indefinitely in late July 2000. Potlatch shuttered its Jaype Mill near Pierce in August 2000, a move that cost 215 jobs. Boise Cascade Corporation shut down its Cascade sawmill and closed most operations at its Emmett plant this year. Eighty employees at the Cascade site will lose their jobs, while another 275 jobs will be lost in Emmett. Potlatch Corporation in Lewiston is cutting about 125 jobs from its pulp, paperboard, and tissue operations. Temporary reductions will also deflate employment numbers. In February 2001, 300 employees at Potlatch Corporation's Clearwater Lumber Mill were temporarily idled. Demand over the next two years will be limited by the anticipated decline in national housing starts. Weak demand and prices were not the only factors contributing to this industry's slump. Supply factors are also to blame. This industry is awash in supply thanks to excess capacity. One estimate shows the industry is already geared up to produce 20-25% more lumber than is being consumed in North America and Asia. Even if demand were stronger, this sector faces supply challenges. Most notably, it will be haunted by the uncertainties concerning timber supplies from federal forests. Another concern is what impact the expiration of the Softwood Lumber Agreement the U.S. has with Canada will have on supplies. Domestic producers fear Canadian mills will flood the U.S with lumber and wood products. In light of these factors, it does not appear that this sector's job picture will improve in the near future. In fact, Idaho lumber and wood products employment is expected to fall from 11,556 in 2001 to 10,266 in 2004.



Mining and Chemicals: Hard times are expected to continue for the mining and chemicals sectors. After peaking at just under 3,100 jobs in 1997, employment in the mining sector has declined in each year since, to 2,425 in 2000. The latest blow to this industry came this winter when the Sunshine Mine closed.

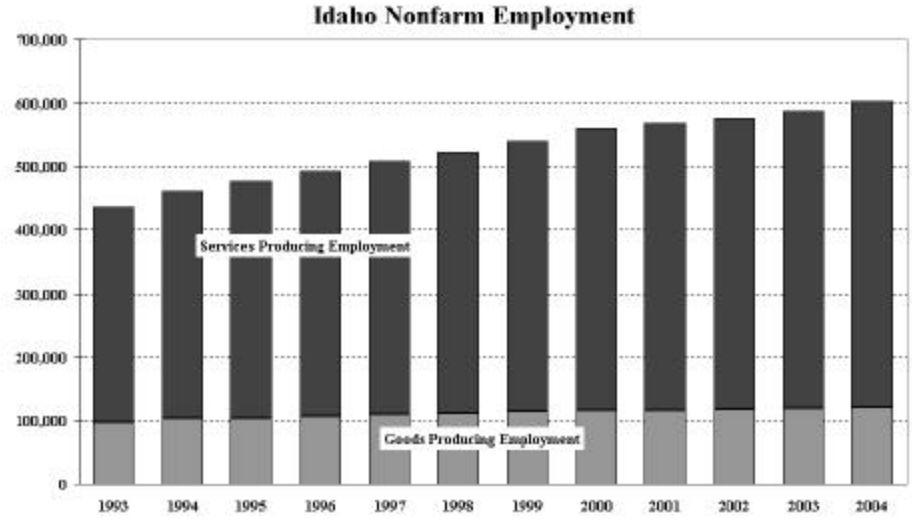
While low prices for its output has bedeviled the mining industry, it was not the reason for this closure. The Asarco smelter in East Helena, Montana closed in February of this year, leaving Sunshine Mine without a place to send its silver concentrate. Over 150 jobs at the mine will eventually be lost. With Sunshine Mine closed, only Hecla Mining's Lucky Friday Mine and Coeur Silver Valley Resource's Galena Mine remain in operation in Idaho's historic Silver Valley. Mining cuts were not restricted to northern Idaho, however. Thompson Creek Mining Company in Custer County laid off 65 workers in January 2001, but remains in operation. Kerr-McGee closed its Soda Springs vanadium and phosphate plant due to the low price of vanadium. Idaho mining employment is expected to drop from 2,113 in 2001 to 1,726 in 2004. About 20 workers recently lost their jobs at the Pocatello Astaris (formerly FMC) plant. The company shut down two of its four furnaces because of high electricity prices. Unfortunately, the company has announced another round of reductions. Astaris plans to layoff approximately 110 more employees over the next year.

Federal, State, and Local Governments: Idaho government employment growth is expected to trail total Idaho nonfarm employment growth over the next few years. The Gem State's state and local government employment has traditionally been tied to Idaho population growth. Given this relationship, it is worthwhile to look at the state's population growth in further detail. Idaho population growth is the result of two major components: natural population growth and domestic migration. (International migration is not a significant contributor to overall Idaho growth.) Natural population growth is simply the number of births less the number of deaths. In Idaho, natural population growth provides steady, but uneventful, growth. On the other hand, swings in the state's population growth are caused by domestic migration. The 1990's serve as a classic example of this phenomenon. Idaho's population jumped 28.5% from 1990 to 2000, making it the 5th fastest growing population in the U.S. over that period. Of the increase of 287,219 in Idaho's population from 1990 to 2000, net migration accounted for 191,550 or two-thirds of the total. In comparison, there was actually a net out-migration in the previous decade, and the state's population expanded just 6.6% from 1980 to 1990. The state's migration boom during the 1990s was largely the result its strong economy relative to the rest of the nation. U.S. nonfarm employment shrank by nearly 1.0% from 1990 to 1992, and for California slow growth lingered even longer. Idaho nonfarm employment advanced over 8.0% over this same period. The favorable economic conditions made Idaho a magnet for migration. A surge of migration hit Idaho in the first half of the 1990s. In each of the three years from 1992 to 1994, net migration was over 20,000. This helped the state's population grow by about 3.0% in each of those years, which was nearly three times faster than the nation. The rapid rise in population strained the state's public infrastructure. In response to these pressures, Idaho state and local government employment advanced over 3.5% annually during the first half of the decade. Since then the gap between U.S. and Idaho economic



growth has narrowed. This has caused net migration into Idaho to taper off recently to about half of its mid-1990s peak. As a result, Idaho state and local government employment growth has slowed noticeably. While slower population growth has had an impact, another factor has also come into play. An Idaho law that limits local government budgets has also reduced employment growth. These two factors will limit future Idaho state and local government job growth. Idaho state and local government employment is forecast to increase 0.9% in 2001, 1.2% in 2002, 1.0% in 2003, and 1.2% in 2004. Continued efforts to corral federal government spending do not bode well for Federal government employment in Idaho. While severe cuts are unlikely, neither are huge gains. Idaho has generally been insulated from defense cutbacks. However, the Department of Defense recently proposed reducing it's fleet of B1 bombers. These planes are an integral part of the 366th Wing stationed at Mountain Home Air Force Base in southern Idaho. The loss of these jets and personnel would have a negative impact. On balance, this component's employment should remain relatively flat. Specifically, the federal employment in the Gem State should be 12,991 in 2001, 12,980 in 2002, 12,977 in 2003, and 12,991 in 2004.

Services-Producing Industries: The broadly defined services-producing sector accounts for about 80% all nonfarm jobs in Idaho. It consists of finance, insurance, and real estate; transportation, communications, and public utilities; trade; services; and government. Even after government employment is taken out of the services-producing mix, the remainder still accounts for over 60% of all nonfarm jobs. The trade and services categories account for almost two-thirds of this sector's total employment. These two categories have benefited from current trends. One such trend is the increasing presence of national "big-box" merchandisers into the state. For example, trade employment in 2001 was boosted by the opening or expansion of several Wal-Mart, Fred Meyer, and Home Depot stores. Other trends support services employment. Idaho has also benefited from the growth of call centers. Due to improvements in technology and the nature of their business, call centers can be located virtually anywhere, unlike other businesses where proximity to either resources or markets determine location. These call centers are involved in a wide range of activities including sales, help lines, telemarketing, customer services, and market research. Call centers also encompass a wide variety of business activities. These include manufacturing, transportation, communications, trade, finance, insurance, business services, and research and development. For example, Boise is the home to an international shipping company's scheduling operations in spite of its landlocked location. One of the most pleasing aspects of this growth is how diverse it has been. The GTE order-processing center is in North Idaho, the Carlson Leisure Group call center is in the Treasure Valley, and Convergys Call Center is in Bannock County. Recently, Alaska Air opened a call center in Boise that will eventually employ 200. Tele-Servicing Innovations opened a call center in Burley. But growth is not just coming from new arrivals to the state. For example, Sears Boise Regional Credit Card Service Center announced that it is expanding its



payroll by about 500 employees. Business services employment has expanded thanks to the growing use of temporary employees. Some temporary employees work at manufacturing firms. Although they perform manufacturing tasks, they are technically employed by employment agencies, and are counted in the business service component. Not all the news regarding this sector has been positive. Bechtel BWXT, Idaho, which manages the Idaho National Engineering and Environmental Laboratory site near Idaho Falls, could cut up to 1,200 jobs. The ultimate number will be determined by the final U.S. Department of Energy's budget. Overall, services-producing employment is projected to increase 2.0% in 2001, 1.6% in 2002, 2.3% in 2003, and 2.6% in 2004.

Construction: After over a decade of being one of the state's job growth leaders, the construction sector is projected to shift into lower gear over the forecast period. Construction employment grew slowly during the first two years of the current Idaho economic expansion, but took off in 1989 and stayed near the head of the pack through most of the following decade. From 1989 to 1999, the number of construction jobs advanced by an astounding 8.2% per year. In comparison, Idaho total nonfarm employment growth averaged 4.0% per year over the same period. The growth in construction employment primarily resulted from the booming housing market caused by the state's rising population. During the 1990s, Idaho's population rose up to three times as fast as the national population. Not surprisingly, housing demand surged from about 3,300 units in 1988 to nearly 12,800 units in 1994. The construction sector was in "catch-up" mode during the early 1990s because of the thin housing stock coming from the 1980s and the unprecedented new demand for housing. Fortunately, Idaho never developed a serious inventory overhang. Housing starts did settle down to about 9,400 units in 1995, but strong nonresidential construction kept this sector healthy. Since then, total housing starts have hovered in the 9,000- to 11,000-unit range. While this is below 1994's peak, it is about three times higher than in 1988. Idaho housing starts are expected to be 10,856 units in 2001, 10,130 units in 2002, 9,907 in 2003, and 10,249 units in 2004. Idaho construction employment is forecast to slightly decline from 36,624 in 2001 to 35,584 in 2004.

FORECASTS COMPARISON

Idaho has a dynamic economy whose growth is influenced by a myriad of local, national, and international factors. Therefore, changes to the projected values of such diverse variables as oil prices, interest rates, and national housing starts can have an effect at the state level. In order to account for the effects of such changes on the state's economy, each issue of the *Idaho Economic Forecast* uses DRI*WEFA's most recent forecast of the U.S. economy. Additional data, such as company-specific expansions and/or contractions are also considered.

The following comparison table shows how the outlooks for several key Idaho and national economic series have changed from the April 2001 to the July 2001 *Idaho Economic Forecast*. The April 2001 Idaho forecast is based on DRI's March 2001 U.S. macroeconomic forecast and the July 2001 Idaho forecast is driven by DRI*WEFA's June 2001 forecast.

DRI*WEFA has once again reduced its expectations for the U.S. economy. In general, several key economic variables follow a lower trajectory over time, resulting in an economy that is sub-par compared to the previous forecast. Real GDP, the broadest measure of the economy's health, is a good example. In the previous forecast it was believed this measure would advance 1.7% this year, 3.3% next year, 4.4% in 2003, and 4.0% in 2004. In the current forecast real GDP grows 1.7% in 2001, 2.3% in 2002, and 3.1% in both 2003 and 2004. As a result, by 2004 real GDP is about $300 billion lower than had been previously forecasted. Real personal income displays a similar pattern. Instead of averaging 3.3% annual growth as in the previous forecast, it advances just 2.8% per year. Interestingly, despite the weaker economic outlook, inflation is higher through 2004. The job picture is mixed. While there are more jobs in 2001 and 2002, this situation reverses in the last two years of the forecast, with the number of jobs below the previous forecast. The real GDP forecast hints at why this is the case. In the previous forecast it was assumed the U.S. economy would post a stronger recovery (about 4.0% annual real GDP growth in 2003 and 2004) after the slowdown. DRI*WEFA has tempered the real GDP annual pace back to around 3.0% during the recovery in the current forecast.

The nonfarm employment and personal income data on the table of the facing page show the outlook for the Idaho economy has also been downgraded. Interestingly, Idaho nonfarm employment in 2001 is slightly higher than previously projected. This advantage is the result of the stronger-than-anticipated job growth at the end of last year. However, this advantage should be fleeting, as the cooling economy takes its toll at the state level. By 2004, Idaho nonfarm employment is expected to fall about 2,600 short of the level forecasted in April 2001. Mirroring the weakness at the national level, nearly two-third of this drop is in Idaho's manufacturing sector. The forecast for nominal Idaho personal income is actually higher in each year. However, this advantage erodes over time because of the projected higher inflation. Specifically, Idaho real personal income is $38 million higher this year, but by 2004 it is $610 lower than had been forecast in April 2001.

IDAHO ECONOMIC FORECAST

FORECASTS COMPARISON
DIFFERENCES BETWEEN
JULY 2001 AND APRIL 2001 FORECASTS

	1999	2000	2001	2002	2003	2004
GDP (BILLIONS)						
Current $	0	0	36	36	-1	-27
% Difference	*0.0%*	*0.0%*	*0.3%*	*0.3%*	*0.0%*	*-0.2%*
1996 Chain-Weighted	0	0	3	-87	-212	-305
% Difference	*0.0%*	*0.0%*	*0.0%*	*-0.9%*	*-2.1%*	*-2.9%*
PERSONAL INCOME - CURR $						
Idaho (Millions)	45	399	187	82	125	77
% Difference	*0.2%*	*1.3%*	*0.6%*	*0.2%*	*0.3%*	*0.2%*
U.S. (Billions)	0	1	24	28	22	16
% Difference	*0.0%*	*0.0%*	*0.3%*	*0.3%*	*0.2%*	*0.2%*
PERSONAL INCOME - 1996 $						
Idaho (Millions)	40	368	38	-228	-399	-610
% Difference	*0.1%*	*1.3%*	*0.1%*	*-0.7%*	*-1.2%*	*-1.8%*
U.S. (Billions)	0	1	-13	-54	-115	-163
% Difference	*0.0%*	*0.0%*	*-0.2%*	*-0.7%*	*-1.4%*	*-1.9%*
TOTAL NONFARM EMPLOYMENT						
Idaho	-7	442	635	-1,276	-1,926	-2,560
% Difference	*0.0%*	*0.1%*	*0.1%*	*-0.2%*	*-0.3%*	*-0.4%*
U.S. (Thousands)	129	350	641	443	-521	-1,324
% Difference	*0.1%*	*0.3%*	*0.5%*	*0.3%*	*-0.4%*	*-1.0%*
GOODS PRODUCING SECTOR						
Idaho	0	153	414	-744	-1,409	-1,823
% Difference	*0.0%*	*0.1%*	*0.4%*	*-0.6%*	*-1.2%*	*-1.5%*
U.S. (Thousands)	26	42	63	55	-40	-210
% Difference	*0.1%*	*0.2%*	*0.3%*	*0.2%*	*-0.2%*	*-0.8%*
SERVICE PRODUCING SECTOR						
Idaho	-7	289	221	-531	-517	-737
% Difference	*0.0%*	*0.1%*	*0.0%*	*-0.1%*	*-0.1%*	*-0.2%*
U.S. (Thousands)	103	308	578	387	-481	-1,114
% Difference	*0.1%*	*0.3%*	*0.5%*	*0.4%*	*-0.4%*	*-1.0%*
FINANCIAL MARKETS						
Federal Funds Rate	0.0	0.0	-0.8	-1.3	-1.1	-0.8
Bank Prime Rate	0.0	0.0	-0.8	-1.3	-1.1	-0.8
Mort Rate, Existing Homes	0.0	0.0	0.5	0.4	0.0	-0.1
INFLATION						
GDP Price Deflator	0.0	0.0	0.4	1.3	2.4	3.1
Personal Cons Deflator	0.0	0.0	0.5	1.1	1.8	2.4
Consumer Price Index	0.0	0.0	1.2	2.5	3.9	5.0

Forecast Begins the FIRST Quarter of 2001

ALTERNATIVE FORECASTS

DRI*WEFA has assigned a 55% probability of occurrence to its June 2001 baseline forecast of the U.S. economy. The major features of this forecast include:

- Real GDP increases 1.7% in 2001, 2.3% in 2002, 3.1% in 2003, and 3.1% in 2004;
- U.S. nonfarm employment rises 0.7% in 2001, 0.7% in 2002, and 1.0% in 2003, and 1.1% in 2004;
- the U.S. civilian unemployment rate jumps to 4.6% this year, rises to 5.3% in 2002, and hovers near 5.4% in 2003 and 2004;
- after peaking at 107.6 in 2000, consumer confidence declines to a nadir of 90.0 in 2003, then rallies to 90.8 by 2004;
- consumer inflation is 3.4% in 2001, then ranges between 2.3% and 2.5% thereafter;
- and the U.S. current account deficit swells to $453.8 trillion dollars by 2004.

While the baseline scenario represents the most likely path for the national economy over the next few years, uncertainties surrounding several key variables mean other outcomes are also possible. To account for this, DRI*WEFA prepares alternative forecasts based on different assumptions regarding these key variables. Two of these alternative forecasts, along with their likely impacts on the Idaho economy, are discussed below.

The odds of the U.S. economy entering a recession remain high. Both of the alternative scenarios prepared by DRI*WEFA include recessions. The *Late Recession Scenario* has been assigned a 10% probability of occurrence. The aptly titled *Pessimistic Scenario* has been given a 35% probability of occurrence. This implies a combined probability of 45%. Put another way, the odds are about even the U.S. economy will experience a recession over the next few years.

LATE RECESSION SCENARIO

DRI*WEFA's *Late Recession Scenario* has been assigned a 10% probability of occurrence. Unlike the baseline scenario's assumption of benign inflation, inflationary pressures initiate a domino effect that culminates with a recession. First, weak investment slows productivity growth, which puts upward pressure on unit labor costs. Foreign investors, burned by the New Economy meltdown, sour on the U.S. economy, causing the dollar to weaken. While this improves export prospects, it also raises import prices, further fueling inflation. Higher prices from foreign competitors allow domestic companies to raise their prices also. This scenario also assumes market imbalances cause the price of oil to rise to $35 per barrel.

Climbing prices cause the Federal Reserve to renew its inflation fighting zeal. By the spring of 2003, the federal funds rate is at 6.5%. The higher interest rates cause the housing market to collapse and business investment to decline. The stock market, already sliding because of the departure of foreign investors and the slowing growth in potential GDP, tumbles. Higher interest rates strengthen the dollar, which hurts exports. The economy slides into recession during the summer of 2003. Real GDP drops 2.0% over the subsequent three quarters. The Federal Reserve quickly reverses course once the recession begins, and the economy recovers quickly.

IDAHO ECONOMIC FORECAST

BASELINE AND ALTERNATIVE FORECASTS

JULY 2001

	BASELINE				LATE RECESSION				PESSIMISTIC			
	2001	2002	2003	2004	2001	2002	2003	2004	2001	2002	2003	2004
GDP (BILLIONS)												
Current $	10,386	10,898	11,512	12,142	10,385	10,915	11,450	11,785	10,227	10,562	11,310	11,986
% Ch	*4.2%*	*4.9%*	*5.6%*	*5.5%*	*4.2%*	*5.1%*	*4.9%*	*2.9%*	*2.6%*	*3.3%*	*7.1%*	*6.0%*
1996 Chain-Weighted	9,477	9,697	9,998	10,311	9,484	9,722	9,913	9,967	9,337	9,442	9,913	10,298
% Ch	*1.7%*	*2.3%*	*3.1%*	*3.1%*	*1.8%*	*2.5%*	*2.0%*	*0.5%*	*0.2%*	*1.1%*	*5.0%*	*3.9%*
PERSONAL INCOME - CURR $												
Idaho (Millions)	32,610	34,222	36,384	38,618	32,611	34,185	36,275	37,636	32,406	33,500	35,773	38,075
% Ch	*4.2%*	*4.9%*	*6.3%*	*6.1%*	*4.2%*	*4.8%*	*6.1%*	*3.8%*	*3.6%*	*3.4%*	*6.8%*	*6.4%*
U.S. (Billions)	8,677	9,074	9,582	10,099	8,679	9,095	9,631	9,902	8,603	8,822	9,389	9,953
% Ch	*4.8%*	*4.6%*	*5.6%*	*5.4%*	*4.8%*	*4.8%*	*5.9%*	*2.8%*	*3.9%*	*2.5%*	*6.4%*	*6.0%*
PERSONAL INCOME - 1996 $												
Idaho (Millions)	29,665	30,483	31,693	32,920	29,653	30,203	31,129	31,672	29,480	29,932	31,386	32,799
% Ch	*1.8%*	*2.8%*	*4.0%*	*3.9%*	*1.8%*	*1.9%*	*3.1%*	*1.7%*	*1.2%*	*1.5%*	*4.9%*	*4.5%*
U.S. (Billions)	7,893	8,083	8,347	8,609	7,892	8,036	8,265	8,333	7,827	7,883	8,238	8,574
% Ch	*2.3%*	*2.4%*	*3.3%*	*3.1%*	*2.3%*	*1.8%*	*2.8%*	*0.8%*	*1.5%*	*0.7%*	*4.5%*	*4.1%*
TOTAL NONFARM EMPLOYMENT												
Idaho (Thousands)	568.0	575.9	588.4	602.9	568.1	574.7	582.6	585.9	565.9	568.0	583.4	601.7
% Ch	*1.6%*	*1.4%*	*2.2%*	*2.5%*	*1.6%*	*1.2%*	*1.4%*	*0.6%*	*1.2%*	*0.4%*	*2.7%*	*3.1%*
U.S. (Millions)	132.7	133.6	134.9	136.4	132.7	134.0	135.1	134.0	131.8	130.9	133.6	136.2
% Ch	*0.7%*	*0.7%*	*1.0%*	*1.1%*	*0.7%*	*1.0%*	*0.8%*	*-0.8%*	*0.0%*	*-0.6%*	*2.0%*	*2.0%*
GOODS PRODUCING SECTOR												
Idaho (Thousands)	116.1	116.6	118.4	120.7	116.2	117.2	117.6	115.6	114.7	113.6	118.0	121.8
% Ch	*0.0%*	*0.5%*	*1.5%*	*2.0%*	*0.1%*	*0.9%*	*0.3%*	*-1.8%*	*-1.2%*	*-0.9%*	*3.9%*	*3.2%*
U.S. (Millions)	25.2	24.6	24.5	24.5	25.2	24.8	24.7	23.6	24.8	23.5	23.9	24.5
% Ch	*-2.0%*	*-2.5%*	*-0.3%*	*0.1%*	*-1.9%*	*-1.6%*	*-0.6%*	*-4.3%*	*-3.5%*	*-5.3%*	*1.6%*	*2.7%*
SERVICE PRODUCING SECTOR												
Idaho (Thousands)	452.0	459.3	470.0	482.1	451.9	457.5	465.0	470.4	451.2	454.4	465.4	479.9
% Ch	*2.0%*	*1.6%*	*2.3%*	*2.6%*	*2.0%*	*1.2%*	*1.6%*	*1.2%*	*1.8%*	*0.7%*	*2.5%*	*3.2%*
U.S. (Millions)	107.5	109.0	110.4	111.9	107.5	109.2	110.4	110.4	106.9	107.4	109.6	111.7
% Ch	*1.4%*	*1.4%*	*1.3%*	*1.4%*	*1.4%*	*1.6%*	*1.1%*	*0.0%*	*0.8%*	*0.4%*	*2.1%*	*1.8%*
SELECTED INTEREST RATES												
Federal Funds	*4.3%*	*3.6%*	*4.2%*	*4.7%*	*4.3%*	*3.8%*	*6.0%*	*4.0%*	*4.1%*	*3.2%*	*4.2%*	*4.7%*
Bank Prime	*7.3%*	*6.6%*	*7.2%*	*7.7%*	*7.3%*	*6.8%*	*9.0%*	*7.0%*	*7.1%*	*6.2%*	*7.2%*	*7.7%*
Existing Home Mortgage	*7.5%*	*7.7%*	*7.7%*	*7.8%*	*7.5%*	*7.9%*	*9.1%*	*7.7%*	*7.5%*	*7.6%*	*7.8%*	*7.9%*
INFLATION												
GDP Price Deflator	*2.4%*	*2.5%*	*2.5%*	*2.3%*	*2.3%*	*2.5%*	*2.9%*	*2.4%*	*2.4%*	*2.1%*	*2.0%*	*2.0%*
Personal Cons Deflator	*2.4%*	*2.1%*	*2.3%*	*2.2%*	*2.4%*	*2.9%*	*3.0%*	*2.0%*	*2.4%*	*1.8%*	*1.8%*	*1.8%*
Consumer Price Index	*3.4%*	*2.5%*	*2.4%*	*2.3%*	*3.5%*	*3.3%*	*3.1%*	*2.1%*	*3.4%*	*2.2%*	*1.9%*	*2.0%*

Forecast Begins the FIRST Quarter of 2001

In this scenario, Idaho's economy initially grows about as fast as its baseline counterpart, but noticeably weakens in the latter years of the forecast. Idaho nonfarm employment advances 1.6% in 2001 and 1.2% in 2002. In the baseline, this same measure rises 1.6% in 2001 and 1.4% in 2002. Idaho real personal income grows 1.8% this year and 1.9% next year, compared to the baseline's 1.8% in 2001 and 2.8% in 2002. In the latter half of the forecast, the weakening U.S. economy takes its toll on the Idaho economy. Both Idaho job and real personal income growth slow significantly compared to their baseline counterparts. As a result, Idaho nonfarm employment is about 16,000 lower in 2004 than in the baseline and real personal income is off by $1.2 billion.

PESSIMISTIC SCENARIO

The Federal Reserve successfully pulls off a soft landing in the baseline scenario. Both of the alternative scenarios assume the nation's central bank fails to avoid a recession. The major difference between the two is the timing of the recession. In the *Pessimistic Scenario* the recession comes sooner than later. It is has been assigned a 35% probability of occurrence. In this scenario, the manufacturing recession infects the rest of the economy. Two reasons for this are excess capacity and inventory problems may be worse than is currently perceived. The situation is particularly difficult for high-tech manufacturers, who are competing with each other and the used-equipment market. In addition, sharp reductions in business investment, a downturn in nonresidential construction, a further slide in consumer confidence, and a sputtering stock market push the economy into a recession.

The Federal Reserve responds to the steady stream of weak second-quarter data by chopping the federal funds rate aggressively to 3.25% by the end of June and to 3.0% in August. However, these efforts to prevent a recession prove futile, as the economy is already in a recession in the second quarter. This recession lasts three quarters, and real GDP shrinks 1.7% over this period. Most of the downturn is caused by investment cutbacks and inventory liquidation. The mildness of the recession hinges primarily on a quick resumption of credit flows, high-but-stable energy prices, and ongoing efforts to exploit the opportunities inherent in the Internet and wireless technologies. Should any of these assumptions not hold up, the downturn could be considerably more severe.

The national recession has a relatively minor impact on the Idaho economy. In this scenario, Idaho nonfarm employment rises 1.2% in 2001. There are about 1,400 fewer goods-producing jobs and about 800 less services-producing jobs in 2001. The personal income measures, both nominal and real, also grow slightly slower than their baseline counterparts in 2001. However, these weaknesses are temporary. The Idaho economy recovers after 2002, and actually makes up some of the ground lost in 2001 and 2002. Idaho nonfarm employment is just 1,200 lower than in the baseline in 2004 and real personal income is down about $120 million.

The Future of the New Economy

Charles I. Jones

The increase in productivity growth rates beginning in the mid-1990s has helped boost economic growth and speed the rate at which living standards rise in the United States. Between 1995 and 2000, productivity growth averaged 2.8%--almost double the rate during the preceding 22 years! This increase in productivity growth is thought by many observers to be associated with the increased importance of information technology (IT), a hypothesis often referred to as the "New Economy" view.

Whether rapid productivity growth will continue has been the subject of much debate. And the debate has intensified in the last six months, with the sharp decline in the tech-heavy NASDAQ index and the relatively slow growth of the economy. In this *Economic Letter*, I will document the sources of the increased productivity growth in the second half of the 1990s and the evidence for the New Economy and then provide a discussion of the prospects for growth over the next decade.

The New Economy

Economists are by no means agreed on the sources of the increase in productivity growth in the late 1990s. For example, Cornwell and Trehan (2000) discuss the arguments by one of the New Economy skeptics, Robert Gordon (2000). In this *Letter*, I begin by presenting the evidence from Oliner and Sichel (2000), whose study is more favorable to the New Economy view.

Oliner and Sichel find that labor productivity growth was 1.04 percentage points faster in the late 1990s than in the early 1990s. They decompose the increase into four parts (see Table 1).

Sources of Increased Labor Productivity Growth, 1996–1999 versus 1991–1995

Rise in labor productivity growth	1.04%
Contributions from	
Increased IT capital use	0.45
Increased efficiency of IT production	0.37
Increased efficiency of non-IT production	0.30
Other	–0.10

Source: Oliner and Sichel (2000) Table 5.
Note: Percentage points per year. Detail may not sum to total due to rounding.

First, the increased use of IT capital throughout the economy--computer hardware, software, and communications equipment--raised labor productivity growth by just under half a percentage point.

Second, the rate of improvement in the efficiency with which the economy produces IT capital increased substantially during the late 1990s. The rise in this growth rate, sometimes called multifactor productivity growth, contributed 0.37 percentage points to the increase in labor productivity growth. The remaining two components--increased efficiency outside the IT-producing sector and "Other"--together account for the remaining 0.2 percentage points.

The remarkable conclusion from this analysis is that the widespread adoption of IT in the United States, together with the increased efficiency in its production, accounts for about three-quarters of the rise in labor productivity growth, a quantity of about 0.8 percentage points.

The future of the New Economy

Whether or not the rapid productivity growth observed at the end of the 1990s will continue is an important and open question. Economic research suggests several insights into the answer.

The first relates to the business cycle. When the economy comes out of a recession and moves into a boom, productivity growth rates tend to rise. On the one hand, this works in favor of the view that the New Economy will continue: If productivity growth were mainly a cyclical phenomenon, one would expect it to have been strong during 1991-1995, as the economy came out of recession, and weak at the end of the 1990s, as the longest expansion in U.S. history matured; instead, of course, it surged at the end of the 1990s. On the other hand, Gordon (2000) provides an analysis in which business cycle effects account for as much as half a percentage point of growth at the end of the 1990s--and therefore about half of the total rise in labor productivity growth.

The flip side of this business cycle logic is that to the extent that the current expansion is coming to an end, one might expect productivity growth to be low in the near term. We may have to wait until the current cycle has run its course in order to measure the sustained impact of the New Economy.

Second, Jorgenson (2001) identifies one of the key elements of the rise in productivity growth as the acceleration in the rate of decline of semiconductor prices, which began in 1994 as the industry shifted from a three-year product cycle to a two-year cycle. This view is supported by the pattern of multifactor productivity growth in the semiconductor sector. According to Oliner and Sichel (2000), this growth rate was an astounding 30.7% per year between 1974 and 1990, 22.3% between 1990 and 1995, and then rose to an even more incredible 45.0% between 1996 and 1999. Jorgenson suggests that, based on industry projections, this faster decline in prices may continue for at least a decade.

Third, as has been noted by many commentators on the New Economy, including Paul David (1990), Brad DeLong (2001), and Robert Gordon (2000), the IT revolution is just the most recent in a series of revolutions. As the 19th century waned, a revolution based on the widespread adoption of electricity was already underway. Shortly thereafter, the internal combustion engine revolutionized transportation, on land as well as through the air. More generally, revolutions have been occurring throughout the 20th century in many other areas, including medicine, communications (radio and television), and so on. From this perspective, looking for the IT revolution to raise the trend growth rate may be misplaced. Rather, it may well be that the IT revolution is simply the most recent in a series of revolutions that allow the U.S. economy to sustain long-run economic growth.

Fourth, even if the IT revolution is somehow different from previous revolutions, it is not obvious that the New Economy should be characterized by a permanently higher growth rate. Theoretical models of endogenous growth based on the discovery of new knowledge (including, for example, work by Paul Romer (1990)), do not necessarily lead to this prediction. Rather, a permanent increase in labor productivity growth requires increasing the growth rate of the stock of knowledge. To the extent that the IT revolution is simply one or even several extraordinarily productive ideas, it still will increase only the *level* of income in the long-run, leaving the long-run *growth rate* unaffected. Of course, a very large increase in the level of income is itself a fantastic accomplishment, and, to the extent that this occurs over several years or even decades, the growth rate may be temporarily higher. However, this is different in a fundamental way from a permanent increase in the productivity growth rate, and this difference can be important for policy (for example, for projecting future budgetary problems associated with Social Security or Medicare).

Unfortunately, economists cannot say, at this point, what it takes to generate knowledge at a permanently faster rate and thereby raise the productivity growth rate permanently. For example, while the productivity of the economy in terms of goods and services generally increases over time (because of the discovery of new methods of production and higher-quality products), there is no reason to think this is the case for the productivity of the economy in creating new knowledge. It is certainly possible that the economy becomes increasingly better at producing new ideas--as Sir Isaac Newton said, "If I have seen further...it is by standing upon the shoulders of Giants." As just one example, it could be that some key ideas, perhaps including IT, give rise to a large number of subsequent discoveries. However, it is also possible that it becomes increasingly difficult to discover new ideas, as the most obvious ideas are discovered first.

Furthermore, it could be that after these discoveries are exhausted, an idea "famine" sets in, in which new discoveries are rare until the next Great Idea. Viewed from the start of the 21st century, with so many technical advances apparently on the horizon, this seems like an extremely remote possibility, but it nicely illustrates a fundamental ignorance about the nature of generating knowledge that should surely be kept in mind.

Summary

In the last half of the 1990s, labor productivity growth returned to rates not sustained since the 1960s. The evidence suggests that a substantial portion of this increase is associated with the increased adoption of IT throughout the economy and with the increased efficiency with which IT is itself produced. Whether or not these higher growth rates can be sustained is an open question that will likely remain unanswered at least until the completion of another business cycle.

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IDAHO ECONOMIC FORECAST

JULY 2001

FORECAST DETAIL

Reporting Conventions

Units of measurement are presented in the individual reports. If not otherwise indicated, population is in millions; income is in billions; and employment is in thousands.

The percentage change numbers given in the annual reports are simple period-to-period percent changes. Since the periods are years, they are thus simple annual changes. The percentage changes given in the quarterly report are period-to-period changes at compound annual rates, following standard practice. A large change in a given quarter can seem to be exaggerated since the calculation assumes the change is compounded over an entire year.

Data Sources

National forecast data are provided by DRI*WEFA and the Food and Agricultural Policy Research Institute (FAPRI). Historical data for the models are obtained from the following agencies: Bureau of the Census (demographic), Bureau of Economic Analysis (income), Bureau of Labor Statistics (employment), Federal Reserve Board of Governors (production), and U.S. Department of Agriculture (farm).

Idaho historical data are obtained from the Department of Labor (employment and hourly earnings), Bureau of Vital Statistics (births and deaths), Division of Financial Management (migration), and the Bureau of Economic Analysis (income).

The Idaho average annual wage is calculated by the Division of Financial Management from Bureau of Economic Analysis and Idaho Department of Labor data. Because of the different methodology used and data available, this figure may not match those published by other sources.

IDAHO ECONOMIC FORECAST

ANNUAL DETAIL

JULY 2001

DEMOGRAPHICS

	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994
POPULATION										
Idaho (Thousands)	993.8	990.5	986.6	988.5	996.7	1,010.7	1,037.5	1,068.1	1,098.4	1,131.0
% Ch	*0.2%*	*-0.3%*	*-0.4%*	*0.2%*	*0.8%*	*1.4%*	*2.6%*	*3.0%*	*2.8%*	*3.0%*
National (Millions)	238.7	240.9	243.1	245.3	247.7	250.3	253.0	255.7	258.4	260.9
% Ch	*0.9%*	*0.9%*	*0.9%*	*0.9%*	*1.0%*	*1.1%*	*1.1%*	*1.1%*	*1.0%*	*1.0%*
BIRTHS										
Idaho (Thousands)	17.5385	16.4235	15.905	15.759	15.863	16.423	16.741	17.197	17.575	17.690
% Ch	*-2.5%*	*-6.4%*	*-3.2%*	*-0.9%*	*0.7%*	*3.5%*	*1.9%*	*2.7%*	*2.2%*	*0.7%*
National (Thousands)	3,761.0	3,757.0	3,809.0	3,910.0	4,041.0	4,158.0	4,110.0	4,038.0	3,997.0	3,964.0
% Ch	*2.5%*	*-0.1%*	*1.4%*	*2.7%*	*3.4%*	*2.9%*	*-1.2%*	*-1.8%*	*-1.0%*	*-0.8%*
DEATHS										
Idaho (Thousands)	7.105	7.345	7.307	7.611	7.389	7.358	7.644	7.887	8.277	8.478
% Ch	*-1.7%*	*3.4%*	*-0.5%*	*4.2%*	*-2.9%*	*-0.4%*	*3.9%*	*3.2%*	*4.9%*	*2.4%*
National (Thousands)	2,086.0	2,105.0	2,123.0	2,168.0	2,150.0	2,162.0	2,163.0	2,210.0	2,237.0	2,264.0
% Ch	*2.3%*	*0.9%*	*0.9%*	*2.1%*	*-0.8%*	*0.6%*	*0.0%*	*2.2%*	*1.2%*	*1.2%*
NET MIGRATION										
Idaho (Thousands)	-8.149	-12.390	-12.541	-6.249	-0.251	4.984	17.628	21.365	20.977	23.411
HOUSING										
HOUSING STARTS										
Idaho	4,337	4,164	3,409	3,334	4,674	5,831	6,600	9,583	11,456	12,768
% Ch	*-4.6%*	*-4.0%*	*-18.1%*	*-2.2%*	*40.2%*	*24.8%*	*13.2%*	*45.2%*	*19.5%*	*11.4%*
National (Millions)	1.741	1.812	1.631	1.488	1.382	1.203	1.009	1.201	1.292	1.446
% Ch	*-1.4%*	*4.0%*	*-10.0%*	*-8.7%*	*-7.1%*	*-12.9%*	*-16.2%*	*19.1%*	*7.5%*	*12.0%*
SINGLE UNITS										
Idaho	3,212	3,157	2,744	2,981	3,711	4,786	5,662	7,899	8,938	9,422
% Ch	*-10.5%*	*-1.7%*	*-13.1%*	*8.6%*	*24.5%*	*29.0%*	*18.3%*	*39.5%*	*13.2%*	*5.4%*
National (Millions)	1.071	1.182	1.154	1.083	1.006	0.901	0.835	1.032	1.131	1.191
% Ch	*-2.5%*	*10.4%*	*-2.4%*	*-6.2%*	*-7.1%*	*-10.5%*	*-7.3%*	*23.6%*	*9.6%*	*5.4%*
MULTIPLE UNITS										
Idaho	1,125	1,007	665	353	963	1,046	938	1,684	2,518	3,346
% Ch	*17.1%*	*-10.5%*	*-33.9%*	*-47.0%*	*173.2%*	*8.6%*	*-10.3%*	*79.6%*	*49.5%*	*32.9%*
National (Millions)	0.671	0.630	0.476	0.405	0.376	0.303	0.174	0.170	0.161	0.255
% Ch	*0.4%*	*-6.1%*	*-24.3%*	*-15.0%*	*-7.2%*	*-19.5%*	*-42.6%*	*-2.4%*	*-5.1%*	*58.3%*
HOUSING STOCK										
Idaho (Thousands)	318.7	322.1	324.8	327.1	330.1	334.8	339.8	347.4	356.9	368.7
% Ch	*1.0%*	*1.1%*	*0.8%*	*0.7%*	*0.9%*	*1.4%*	*1.5%*	*2.2%*	*2.7%*	*3.3%*

National Variables Forecast by DRI*WEFA

Forecast Begins the FIRST Quarter of 2001

IDAHO ECONOMIC FORECAST

ANNUAL DETAIL

JULY 2001

DEMOGRAPHICS

	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
POPULATION										
Idaho (Thousands)	1,159.9	1,186.7	1,211.0	1,231.0	1,251.8	1,273.1	1,292.5	1,308.1	1,324.5	1,340.7
% Ch	*2.6%*	*2.3%*	*2.0%*	*1.7%*	*1.7%*	*1.7%*	*1.5%*	*1.2%*	*1.3%*	*1.2%*
National (Millions)	263.4	265.8	268.4	270.8	273.2	275.7	278.2	280.7	283.2	285.6
% Ch	*0.9%*	*0.9%*	*0.9%*	*0.9%*	*0.9%*	*0.9%*	*0.9%*	*0.9%*	*0.9%*	*0.9%*
BIRTHS										
Idaho (Thousands)	17.915	18.482	18.599	19.188	19.897	20.042	20.165	20.152	20.166	20.173
% Ch	*1.3%*	*3.2%*	*0.6%*	*3.2%*	*3.7%*	*0.7%*	*0.6%*	*-0.1%*	*0.1%*	*0.0%*
National (Thousands)	3,935.0	3,911.0	3,892.0	3,880.0	3,874.0	3,872.0	3,876.0	3,885.0	3,901.0	3,925.0
% Ch	*-0.7%*	*-0.6%*	*-0.5%*	*-0.3%*	*-0.2%*	*-0.1%*	*0.1%*	*0.2%*	*0.4%*	*0.6%*
DEATHS										
Idaho (Thousands)	8.553	8.679	8.953	9.105	9.488	9.488	9.641	9.772	9.907	10.041
% Ch	*0.9%*	*1.5%*	*3.2%*	*1.7%*	*4.2%*	*0.0%*	*1.6%*	*1.4%*	*1.4%*	*1.4%*
National (Thousands)	2,291.0	2,318.0	2,345.0	2,372.0	2,399.0	2,424.0	2,446.0	2,467.0	2,487.0	2,507.0
% Ch	*1.2%*	*1.2%*	*1.2%*	*1.2%*	*1.1%*	*1.0%*	*0.9%*	*0.9%*	*0.8%*	*0.8%*
NET MIGRATION										
Idaho (Thousands)	19.563	16.982	14.572	9.966	10.416	10.765	8.801	5.296	6.112	6.084
HOUSING										
HOUSING STARTS										
Idaho	9,362	9,223	8,861	10,118	10,331	11,527	10,856	10,130	9,907	10,249
% Ch	*-26.7%*	*-1.5%*	*-3.9%*	*14.2%*	*2.1%*	*11.6%*	*-5.8%*	*-6.7%*	*-2.2%*	*3.4%*
National (Millions)	1.361	1.469	1.475	1.621	1.647	1.575	1.563	1.506	1.524	1.557
% Ch	*-5.9%*	*7.9%*	*0.4%*	*9.9%*	*1.6%*	*-4.4%*	*-0.8%*	*-3.6%*	*1.2%*	*2.1%*
SINGLE UNITS										
Idaho	7,281	7,851	7,659	9,040	9,190	10,371	9,850	9,458	9,291	9,510
% Ch	*-22.7%*	*7.8%*	*-2.4%*	*18.0%*	*1.7%*	*12.9%*	*-5.0%*	*-4.0%*	*-1.8%*	*2.4%*
National (Millions)	1.082	1.154	1.136	1.278	1.306	1.233	1.232	1.178	1.187	1.198
% Ch	*-9.2%*	*6.7%*	*-1.6%*	*12.4%*	*2.2%*	*-5.6%*	*-0.1%*	*-4.4%*	*0.8%*	*0.9%*
MULTIPLE UNITS										
Idaho	2,080	1,372	1,202	1,077	1,141	1,155	1,006	672	616	738
% Ch	*-37.8%*	*-34.0%*	*-12.4%*	*-10.4%*	*5.9%*	*1.3%*	*-12.9%*	*-33.2%*	*-8.3%*	*19.8%*
National (Millions)	0.279	0.314	0.338	0.344	0.341	0.342	0.331	0.328	0.337	0.359
% Ch	*9.4%*	*12.7%*	*7.6%*	*1.6%*	*-0.7%*	*0.1%*	*-3.1%*	*-0.8%*	*2.7%*	*6.5%*
HOUSING STOCK										
Idaho (Thousands)	377.8	386.2	393.7	402.3	411.3	421.2	431.1	440.1	448.7	457.5
% Ch	*2.4%*	*2.2%*	*1.9%*	*2.2%*	*2.2%*	*2.4%*	*2.4%*	*2.1%*	*2.0%*	*2.0%*

National Variables Forecast by DRI*WEFA

Forecast Begins the FIRST Quarter of 2001

IDAHO ECONOMIC FORECAST

ANNUAL DETAIL

JULY 2001

OUTPUT, INCOME, & WAGES

	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994
GROSS DOM. PRODUCT (Billions)										
Current Dollars	4,213.0	4,452.9	4,742.5	5,108.3	5,489.1	5,803.3	5,986.2	6,319.0	6,642.3	7,054.3
% Ch	*7.1%*	*5.7%*	*6.5%*	*7.7%*	*7.5%*	*5.7%*	*3.2%*	*5.6%*	*5.1%*	*6.2%*
1996 Chain-Weighted	5,717.0	5,912.4	6,113.3	6,368.3	6,591.8	6,707.9	6,676.4	6,880.1	7,062.6	7,347.7
% Ch	*3.8%*	*3.4%*	*3.4%*	*4.2%*	*3.5%*	*1.8%*	*-0.5%*	*3.1%*	*2.7%*	*4.0%*
PERSONAL INCOME - CURR $										
Idaho (Millions)	11,577	11,851	12,422	13,354	14,721	16,055	16,825	18,382	20,105	21,399
% Ch	*5.6%*	*2.4%*	*4.8%*	*7.5%*	*10.2%*	*9.1%*	*4.8%*	*9.3%*	*9.4%*	*6.4%*
Idaho Nonfarm (Millions)	11,119	11,377	11,838	12,722	13,863	15,081	16,026	17,581	19,040	20,706
% Ch	*6.2%*	*2.3%*	*4.1%*	*7.5%*	*9.0%*	*8.8%*	*6.3%*	*9.7%*	*8.3%*	*8.7%*
National (Billions)	3,515	3,712	3,963	4,272	4,600	4,903	5,085	5,390	5,610	5,888
% Ch	*7.3%*	*5.6%*	*6.7%*	*7.8%*	*7.7%*	*6.6%*	*3.7%*	*6.0%*	*4.1%*	*5.0%*
PERSONAL INCOME - 1996 $										
Idaho (Millions)	16,308	16,296	16,453	17,022	17,982	18,749	18,923	20,061	21,431	22,357
% Ch	*2.1%*	*-0.1%*	*1.0%*	*3.5%*	*5.6%*	*4.3%*	*0.9%*	*6.0%*	*6.8%*	*4.3%*
Idaho Nonfarm (Millions)	15,662	15,645	15,680	16,217	16,934	17,610	18,024	19,187	20,296	21,632
% Ch	*2.7%*	*-0.1%*	*0.2%*	*3.4%*	*4.4%*	*4.0%*	*2.4%*	*6.5%*	*5.8%*	*6.6%*
National (Billions)	4,951	5,105	5,249	5,447	5,619	5,726	5,720	5,883	5,980	6,152
% Ch	*3.8%*	*3.1%*	*2.8%*	*3.8%*	*3.2%*	*1.9%*	*-0.1%*	*2.9%*	*1.7%*	*2.9%*
PER CAPITA PERS INC - CURR $										
Idaho	11,649	11,965	12,591	13,510	14,769	15,884	16,217	17,208	18,302	18,918
% Ch	*5.3%*	*2.7%*	*5.2%*	*7.3%*	*9.3%*	*7.5%*	*2.1%*	*6.1%*	*6.4%*	*3.4%*
National	14,723	15,410	16,301	17,414	18,571	19,588	20,099	21,077	21,709	22,565
% Ch	*6.4%*	*4.7%*	*5.8%*	*6.8%*	*6.6%*	*5.5%*	*2.6%*	*4.9%*	*3.0%*	*3.9%*
PER CAPITA PERS INC - 1996 $										
Idaho	16,409	16,453	16,677	17,221	18,041	18,551	18,240	18,781	19,510	19,766
% Ch	*1.8%*	*0.3%*	*1.4%*	*3.3%*	*4.8%*	*2.8%*	*-1.7%*	*3.0%*	*3.9%*	*1.3%*
National	20,740	21,191	21,592	22,203	22,687	22,876	22,606	23,004	23,142	23,577
% Ch	*2.8%*	*2.2%*	*1.9%*	*2.8%*	*2.2%*	*0.8%*	*-1.2%*	*1.8%*	*0.6%*	*1.9%*
AVERAGE ANNUAL WAGE										
Idaho	16,648	17,183	17,620	18,337	18,893	19,760	20,556	21,477	21,962	22,723
% Ch	*3.7%*	*3.2%*	*2.5%*	*4.1%*	*3.0%*	*4.6%*	*4.0%*	*4.5%*	*2.3%*	*3.5%*
National	20,489	21,283	22,267	23,314	24,070	25,178	26,089	27,466	27,872	28,358
% Ch	*4.3%*	*3.9%*	*4.6%*	*4.7%*	*3.2%*	*4.6%*	*3.6%*	*5.3%*	*1.5%*	*1.7%*

National Variables Forecast by DRI*WEFA

Forecast Begins the FIRST Quarter of 2001

IDAHO ECONOMIC FORECAST

ANNUAL DETAIL

JULY 2001

OUTPUT, INCOME, & WAGES

	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
GROSS DOM. PRODUCT (Billions)										
Current Dollars	7,400.6	7,813.2	8,318.4	8,790.2	9,299.2	9,963.1	10,385.8	10,898.0	11,512.4	12,142.5
% Ch	*4.9%*	*5.6%*	*6.5%*	*5.7%*	*5.8%*	*7.1%*	*4.2%*	*4.9%*	*5.6%*	*5.5%*
1996 Chain-Weighted	7,543.8	7,813.2	8,159.4	8,515.6	8,875.7	9,318.5	9,477.3	9,697.3	9,998.3	10,310.5
% Ch	*2.7%*	*3.6%*	*4.4%*	*4.4%*	*4.2%*	*5.0%*	*1.7%*	*2.3%*	*3.1%*	*3.1%*
PERSONAL INCOME - CURR $										
Idaho (Millions)	22,869	24,174	25,227	26,984	28,627	31,288	32,610	34,222	36,384	38,618
% Ch	*6.9%*	*5.7%*	*4.4%*	*7.0%*	*6.1%*	*9.3%*	*4.2%*	*4.9%*	*6.3%*	*6.1%*
Idaho Nonfarm (Millions)	22,073	23,298	24,557	26,092	27,686	30,168	31,539	33,116	35,243	37,462
% Ch	*6.6%*	*5.6%*	*5.4%*	*6.2%*	*6.1%*	*9.0%*	*4.5%*	*5.0%*	*6.4%*	*6.3%*
National (Billions)	6,201	6,547	6,937	7,391	7,790	8,282	8,677	9,074	9,582	10,099
% Ch	*5.3%*	*5.6%*	*6.0%*	*6.5%*	*5.4%*	*6.3%*	*4.8%*	*4.6%*	*5.6%*	*5.4%*
PERSONAL INCOME - 1996 $										
Idaho (Millions)	23,360	24,172	24,745	26,189	27,301	29,141	29,665	30,483	31,693	32,920
% Ch	*4.5%*	*3.5%*	*2.4%*	*5.8%*	*4.2%*	*6.7%*	*1.8%*	*2.8%*	*4.0%*	*3.9%*
Idaho Nonfarm (Millions)	22,546	23,297	24,088	25,323	26,403	28,099	28,691	29,497	30,699	31,935
% Ch	*4.2%*	*3.3%*	*3.4%*	*5.1%*	*4.3%*	*6.4%*	*2.1%*	*2.8%*	*4.1%*	*4.0%*
National (Billions)	6,334	6,547	6,805	7,173	7,430	7,714	7,893	8,083	8,347	8,609
% Ch	*3.0%*	*3.4%*	*3.9%*	*5.4%*	*3.6%*	*3.8%*	*2.3%*	*2.4%*	*3.3%*	*3.1%*
PER CAPITA PERS INC - CURR $										
Idaho	19,715	20,369	20,831	21,919	22,866	24,574	25,230	26,160	27,469	28,802
% Ch	*4.2%*	*3.3%*	*2.3%*	*5.2%*	*4.3%*	*7.5%*	*2.7%*	*3.7%*	*5.0%*	*4.9%*
National	23,543	24,630	25,851	27,292	28,508	30,040	31,190	32,329	33,839	35,356
% Ch	*4.3%*	*4.6%*	*5.0%*	*5.6%*	*4.5%*	*5.4%*	*3.8%*	*3.7%*	*4.7%*	*4.5%*
PER CAPITA PERS INC - 1996 $										
Idaho	20,138	20,369	20,433	21,274	21,808	22,889	22,952	23,302	23,927	24,553
% Ch	*1.9%*	*1.1%*	*0.3%*	*4.1%*	*2.5%*	*5.0%*	*0.3%*	*1.5%*	*2.7%*	*2.6%*
National	24,049	24,630	25,358	26,489	27,191	27,982	28,375	28,797	29,477	30,140
% Ch	*2.0%*	*2.4%*	*3.0%*	*4.5%*	*2.6%*	*2.9%*	*1.4%*	*1.5%*	*2.4%*	*2.2%*
AVERAGE ANNUAL WAGE										
Idaho	23,620	24,110	24,811	25,828	26,944	29,005	30,169	31,543	32,915	34,271
% Ch	*3.9%*	*2.1%*	*2.9%*	*4.1%*	*4.3%*	*7.7%*	*4.0%*	*4.6%*	*4.3%*	*4.1%*
National	29,224	30,325	31,701	33,300	34,678	36,198	38,077	39,854	41,644	43,430
% Ch	*3.1%*	*3.8%*	*4.5%*	*5.0%*	*4.1%*	*4.4%*	*5.2%*	*4.7%*	*4.5%*	*4.3%*

National Variables Forecast by DRI*WEFA

Forecast Begins the FIRST Quarter of 2001

IDAHO ECONOMIC FORECAST

ANNUAL DETAIL

JULY 2001

PERSONAL INCOME -- CURR $$

	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994
WAGE AND SALARY PAYMENTS										
Idaho (Millions)	5,883	5,930	6,171	6,704	7,247	7,971	8,533	9,307	9,991	10,916
% Ch	*5.3%*	*0.8%*	*4.1%*	*8.6%*	*8.1%*	*10.0%*	*7.1%*	*9.1%*	*7.3%*	*9.3%*
National (Billions)	1,995	2,114	2,270	2,453	2,597	2,755	2,824	2,983	3,085	3,237
% Ch	*7.6%*	*6.0%*	*7.4%*	*8.0%*	*5.9%*	*6.1%*	*2.5%*	*5.6%*	*3.4%*	*4.9%*
FARM PROPRIETORS INCOME										
Idaho (Millions)	303	331	443	471	683	771	601	603	839	410
% Ch	*-12.3%*	*9.0%*	*33.9%*	*6.4%*	*45.1%*	*12.8%*	*-22.1%*	*0.3%*	*39.3%*	*-51.2%*
National (Billions)	22	23	29	26	32	31	26	33	30	32
% Ch	*-0.5%*	*6.8%*	*26.1%*	*-10.2%*	*23.3%*	*-3.0%*	*-15.3%*	*23.9%*	*-7.8%*	*6.0%*
NONFARM PROPRIETORS INCOME										
Idaho (Millions)	1,128	1,171	1,249	1,368	1,483	1,563	1,515	1,833	2,139	2,342
% Ch	*8.0%*	*3.8%*	*6.7%*	*9.5%*	*8.4%*	*5.4%*	*-3.1%*	*21.0%*	*16.7%*	*9.5%*
National (Billions)	246	256	275	313	330	350	358	402	432	445
% Ch	*8.7%*	*4.1%*	*7.5%*	*13.8%*	*5.4%*	*6.1%*	*2.3%*	*12.3%*	*7.5%*	*3.0%*
DIVIDENDS, RENT & INTEREST										
Idaho (Millions)	2,338	2,393	2,444	2,587	2,912	3,122	3,254	3,367	3,554	3,925
% Ch	*6.6%*	*2.3%*	*2.1%*	*5.9%*	*12.5%*	*7.2%*	*4.3%*	*3.5%*	*5.6%*	*10.4%*
National (Billions)	683	718	758	824	932	987	1,006	999	1,019	1,087
% Ch	*7.4%*	*5.1%*	*5.6%*	*8.8%*	*13.1%*	*5.9%*	*2.0%*	*-0.8%*	*2.1%*	*6.7%*
OTHER LABOR INCOME										
Idaho (Millions)	818	838	888	943	1,029	1,143	1,265	1,415	1,591	1,725
% Ch	*7.2%*	*2.5%*	*6.0%*	*6.2%*	*9.1%*	*11.2%*	*10.7%*	*11.8%*	*12.5%*	*8.4%*
National (Billions)	282	298	319	336	361	390	416	450	483	507
% Ch	*7.7%*	*5.7%*	*6.9%*	*5.4%*	*7.1%*	*8.2%*	*6.6%*	*8.2%*	*7.4%*	*5.1%*
GOVT. TRANSFERS TO INDIV.										
Idaho (Millions)	1,440	1,522	1,572	1,680	1,812	1,972	2,192	2,442	2,626	2,777
% Ch	*8.1%*	*5.7%*	*3.3%*	*6.9%*	*7.9%*	*8.8%*	*11.2%*	*11.4%*	*7.5%*	*5.8%*
National (Billions)	421	449	469	497	540	594	670	752	799	834
% Ch	*7.0%*	*6.7%*	*4.4%*	*6.0%*	*8.7%*	*10.0%*	*12.7%*	*12.2%*	*6.2%*	*4.4%*
CONTRIB. FOR SOCIAL INSUR.										
Idaho (Millions)	417	434	454	525	587	641	704	756	817	900
% Ch	*10.6%*	*4.1%*	*4.5%*	*15.7%*	*11.8%*	*9.2%*	*9.8%*	*7.5%*	*8.0%*	*10.2%*
National (Billions)	134	146	157	177	192	204	215	227	238	254
% Ch	*12.8%*	*8.9%*	*7.8%*	*12.8%*	*8.3%*	*6.3%*	*5.6%*	*5.3%*	*5.0%*	*6.8%*
RESIDENCE ADJUSTMENT										
Idaho (Millions)	86	101	110	127	142	154	169	173	183	204
% Ch	*8.9%*	*18.4%*	*8.9%*	*14.7%*	*12.3%*	*8.6%*	*9.2%*	*2.8%*	*5.3%*	*11.8%*

National Variables Forecast by DRI*WEFA

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IDAHO ECONOMIC FORECAST

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PERSONAL INCOME -- CURR $$

	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
WAGE AND SALARY PAYMENTS										
Idaho (Millions)	11,725	12,316	13,109	13,973	15,030	16,744	17,702	18,746	19,975	21,292
% Ch	*7.4%*	*5.0%*	*6.4%*	*6.6%*	*7.6%*	*11.4%*	*5.7%*	*5.9%*	*6.6%*	*6.6%*
National (Billions)	3,425	3,627	3,889	4,191	4,470	4,769	5,052	5,323	5,617	5,925
% Ch	*5.8%*	*5.9%*	*7.2%*	*7.8%*	*6.7%*	*6.7%*	*5.9%*	*5.4%*	*5.5%*	*5.5%*
FARM PROPRIETORS INCOME										
Idaho (Millions)	496	585	344	557	611	773	684	712	730	731
% Ch	*21.1%*	*17.9%*	*-41.1%*	*61.8%*	*9.8%*	*26.4%*	*-11.4%*	*4.1%*	*2.5%*	*0.1%*
National (Billions)	22	34	30	25	25	23	21	21	23	23
% Ch	*-30.5%*	*54.3%*	*-13.3%*	*-14.3%*	*-0.5%*	*-10.8%*	*-7.6%*	*2.0%*	*5.8%*	*2.3%*
NONFARM PROPRIETORS INCOME										
Idaho (Millions)	2,264	2,337	2,408	2,601	2,818	2,966	3,079	3,325	3,570	3,761
% Ch	*-3.3%*	*3.2%*	*3.0%*	*8.0%*	*8.3%*	*5.3%*	*3.8%*	*8.0%*	*7.4%*	*5.4%*
National (Billions)	476	510	551	595	638	688	719	775	831	874
% Ch	*6.9%*	*7.4%*	*8.0%*	*7.9%*	*7.2%*	*7.8%*	*4.5%*	*7.8%*	*7.2%*	*5.2%*
DIVIDENDS, RENT & INTEREST										
Idaho (Millions)	4,377	4,650	5,044	5,362	5,498	5,859	5,913	5,886	6,173	6,518
% Ch	*11.5%*	*6.2%*	*8.5%*	*6.3%*	*2.5%*	*6.6%*	*0.9%*	*-0.5%*	*4.9%*	*5.6%*
National (Billions)	1,164	1,238	1,327	1,427	1,477	1,571	1,585	1,580	1,648	1,726
% Ch	*7.1%*	*6.3%*	*7.2%*	*7.5%*	*3.5%*	*6.3%*	*0.9%*	*-0.3%*	*4.3%*	*4.7%*
OTHER LABOR INCOME										
Idaho (Millions)	1,714	1,728	1,681	1,722	1,796	1,934	2,019	2,103	2,226	2,356
% Ch	*-0.6%*	*0.8%*	*-2.7%*	*2.4%*	*4.3%*	*7.7%*	*4.4%*	*4.1%*	*5.8%*	*5.8%*
National (Billions)	497	490	475	486	501	524	549	568	594	621
% Ch	*-2.1%*	*-1.4%*	*-3.0%*	*2.1%*	*3.2%*	*4.6%*	*4.7%*	*3.5%*	*4.6%*	*4.5%*
GOVT. TRANSFERS TO INDIV.										
Idaho (Millions)	3,012	3,285	3,394	3,537	3,672	3,907	4,152	4,427	4,734	5,033
% Ch	*8.5%*	*9.1%*	*3.3%*	*4.2%*	*3.8%*	*6.4%*	*6.3%*	*6.6%*	*6.9%*	*6.3%*
National (Billions)	886	929	962	983	1,016	1,068	1,134	1,207	1,288	1,367
% Ch	*6.2%*	*4.8%*	*3.6%*	*2.2%*	*3.4%*	*5.1%*	*6.2%*	*6.4%*	*6.8%*	*6.1%*
CONTRIB. FOR SOCIAL INSUR.										
Idaho (Millions)	949	987	1,045	1,099	1,188	1,303	1,372	1,439	1,521	1,608
% Ch	*5.5%*	*4.0%*	*5.8%*	*5.2%*	*8.2%*	*9.6%*	*5.3%*	*4.9%*	*5.7%*	*5.7%*
National (Billions)	269	280	298	316	338	361	382	399	418	437
% Ch	*5.8%*	*4.3%*	*6.2%*	*6.2%*	*7.0%*	*6.6%*	*6.0%*	*4.4%*	*4.7%*	*4.6%*
RESIDENCE ADJUSTMENT										
Idaho (Millions)	230	260	292	332	391	408	431	461	496	534
% Ch	*12.9%*	*12.9%*	*12.3%*	*13.7%*	*17.6%*	*4.4%*	*5.8%*	*6.9%*	*7.6%*	*7.6%*

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EMPLOYMENT

	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994
TOTAL NONFARM EMPLOYMENT										
Idaho	335,909	328,271	333,449	348,268	366,016	385,332	398,118	416,605	436,734	461,160
% Ch	*1.7%*	*-2.3%*	*1.6%*	*4.4%*	*5.1%*	*5.3%*	*3.3%*	*4.6%*	*4.8%*	*5.6%*
National (Thousands)	97,387	99,344	101,953	105,202	107,883	109,404	108,255	108,591	110,692	114,135
% Ch	*3.2%*	*2.0%*	*2.6%*	*3.2%*	*2.5%*	*1.4%*	*-1.1%*	*0.3%*	*1.9%*	*3.1%*
GOODS PRODUCING SECTOR										
Idaho	73,580	69,608	70,345	75,624	80,312	85,478	86,521	90,495	96,081	103,290
% Ch	*0.3%*	*-5.4%*	*1.1%*	*7.5%*	*6.2%*	*6.4%*	*1.2%*	*4.6%*	*6.2%*	*7.5%*
National (Thousands)	24,843	24,536	24,673	25,123	25,253	24,909	23,749	23,232	23,351	23,906
% Ch	*0.5%*	*-1.2%*	*0.6%*	*1.8%*	*0.5%*	*-1.4%*	*-4.7%*	*-2.2%*	*0.5%*	*2.4%*
MANUFACTURING										
Idaho	54,660	52,103	54,056	58,139	60,572	62,888	63,219	65,751	69,252	71,888
% Ch	*0.1%*	*-4.7%*	*3.7%*	*7.6%*	*4.2%*	*3.8%*	*0.5%*	*4.0%*	*5.3%*	*3.8%*
National (Thousands)	19,250	18,948	18,998	19,315	19,391	19,075	18,405	18,106	18,076	18,323
% Ch	*-0.6%*	*-1.6%*	*0.3%*	*1.7%*	*0.4%*	*-1.6%*	*-3.5%*	*-1.6%*	*-0.2%*	*1.4%*
DURABLE MANUFACTURING										
Idaho	26,759	25,524	26,831	29,560	32,176	34,065	33,144	34,793	37,496	40,635
% Ch	*-2.9%*	*-4.6%*	*5.1%*	*10.2%*	*8.9%*	*5.9%*	*-2.7%*	*5.0%*	*7.8%*	*8.4%*
National (Thousands)	11,458	11,195	11,154	11,363	11,394	11,107	10,568	10,279	10,222	10,448
% Ch	*-0.2%*	*-2.3%*	*-0.4%*	*1.9%*	*0.3%*	*-2.5%*	*-4.9%*	*-2.7%*	*-0.6%*	*2.2%*
LUMBER & WOOD PRODUCTS										
Idaho	13,506	13,240	13,379	13,984	14,747	14,897	13,470	14,004	14,408	15,521
% Ch	*-5.0%*	*-2.0%*	*1.1%*	*4.5%*	*5.5%*	*1.0%*	*-9.6%*	*4.0%*	*2.9%*	*7.7%*
National (Thousands)	711	724	754	768	757	733	675	680	709	754
% Ch	*-0.9%*	*1.8%*	*4.1%*	*1.8%*	*-1.4%*	*-3.1%*	*-7.9%*	*0.7%*	*4.3%*	*6.3%*
STONE, CLAY, GLASS, etc.										
Idaho	2,783	2,761	2,804	2,878	3,276	3,387	3,291	3,199	3,364	3,853
% Ch	*-0.1%*	*-0.8%*	*1.6%*	*2.7%*	*13.8%*	*3.4%*	*-2.8%*	*-2.8%*	*5.2%*	*14.5%*
National (Thousands)	2,021	1,977	1,954	1,996	2,014	1,975	1,877	1,843	1,856	1,920
% Ch	*-0.1%*	*-2.2%*	*-1.2%*	*2.2%*	*0.9%*	*-1.9%*	*-5.0%*	*-1.8%*	*0.7%*	*3.4%*
ELEC & NONELEC MACH										
Idaho	8,528	7,652	8,422	9,577	11,096	12,596	13,197	14,476	16,271	17,114
% Ch	*-2.7%*	*-10.3%*	*10.1%*	*13.7%*	*15.9%*	*13.5%*	*4.8%*	*9.7%*	*12.4%*	*5.2%*
National (Thousands)	4,054	3,864	3,777	3,853	3,869	3,768	3,591	3,457	3,456	3,560
% Ch	*-0.8%*	*-4.7%*	*-2.2%*	*2.0%*	*0.4%*	*-2.6%*	*-4.7%*	*-3.7%*	*0.0%*	*3.0%*
OTHER DURABLES										
Idaho	1,941	1,871	2,226	3,121	3,057	3,185	3,186	3,115	3,454	4,147
% Ch	*7.7%*	*-3.6%*	*19.0%*	*40.2%*	*-2.0%*	*4.2%*	*0.0%*	*-2.2%*	*10.9%*	*20.1%*
National (Thousands)	4,672	4,631	4,669	4,747	4,755	4,632	4,426	4,299	4,200	4,214
% Ch	*0.5%*	*-0.9%*	*0.8%*	*1.7%*	*0.2%*	*-2.6%*	*-4.4%*	*-2.9%*	*-2.3%*	*0.3%*

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EMPLOYMENT

	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
TOTAL NONFARM EMPLOYMENT										
Idaho	477,370	492,557	508,738	521,528	539,103	559,242	568,036	575,876	588,385	602,882
% Ch	*3.5%*	*3.2%*	*3.3%*	*2.5%*	*3.4%*	*3.7%*	*1.6%*	*1.4%*	*2.2%*	*2.5%*
National (Thousands)	117,188	119,589	122,676	125,845	128,901	131,757	132,682	133,558	134,884	136,419
% Ch	*2.7%*	*2.0%*	*2.6%*	*2.6%*	*2.4%*	*2.2%*	*0.7%*	*0.7%*	*1.0%*	*1.1%*
GOODS PRODUCING SECTOR										
Idaho	103,402	106,564	109,904	111,246	113,561	116,069	116,077	116,618	118,365	120,748
% Ch	*0.1%*	*3.1%*	*3.1%*	*1.2%*	*2.1%*	*2.2%*	*0.0%*	*0.5%*	*1.5%*	*2.0%*
National (Thousands)	24,275	24,491	24,960	25,414	25,507	25,713	25,204	24,563	24,478	24,502
% Ch	*1.5%*	*0.9%*	*1.9%*	*1.8%*	*0.4%*	*0.8%*	*-2.0%*	*-2.5%*	*-0.3%*	*0.1%*
MANUFACTURING										
Idaho	71,045	72,906	74,611	76,120	76,128	77,192	77,340	78,864	81,134	83,438
% Ch	*-1.2%*	*2.6%*	*2.3%*	*2.0%*	*0.0%*	*1.4%*	*0.2%*	*2.0%*	*2.9%*	*2.8%*
National (Thousands)	18,526	18,494	18,672	18,805	18,555	18,470	17,770	17,223	17,237	17,269
% Ch	*1.1%*	*-0.2%*	*1.0%*	*0.7%*	*-1.3%*	*-0.5%*	*-3.8%*	*-3.1%*	*0.1%*	*0.2%*
DURABLE MANUFACTURING										
Idaho	42,131	44,069	45,535	47,174	47,139	47,938	47,990	49,104	50,761	52,571
% Ch	*3.7%*	*4.6%*	*3.3%*	*3.6%*	*-0.1%*	*1.7%*	*0.1%*	*2.3%*	*3.4%*	*3.6%*
National (Thousands)	10,684	10,788	11,009	11,206	11,112	11,138	10,669	10,205	10,274	10,403
% Ch	*2.3%*	*1.0%*	*2.0%*	*1.8%*	*-0.8%*	*0.2%*	*-4.2%*	*-4.3%*	*0.7%*	*1.3%*
LUMBER & WOOD PRODUCTS										
Idaho	14,795	14,445	14,240	13,733	13,402	12,627	11,556	10,890	10,515	10,226
% Ch	*-4.7%*	*-2.4%*	*-1.4%*	*-3.6%*	*-2.4%*	*-5.8%*	*-8.5%*	*-5.8%*	*-3.4%*	*-2.7%*
National (Thousands)	769	778	796	814	835	832	804	802	818	835
% Ch	*2.0%*	*1.1%*	*2.3%*	*2.2%*	*2.6%*	*-0.3%*	*-3.3%*	*-0.3%*	*2.0%*	*2.1%*
STONE, CLAY, GLASS, etc.										
Idaho	4,220	4,340	4,414	4,335	4,529	4,484	4,423	4,297	4,223	4,216
% Ch	*9.5%*	*2.8%*	*1.7%*	*-1.8%*	*4.5%*	*-1.0%*	*-1.4%*	*-2.8%*	*-1.7%*	*-0.2%*
National (Thousands)	1,977	1,992	2,031	2,071	2,088	2,116	2,055	1,970	1,921	1,889
% Ch	*3.0%*	*0.8%*	*1.9%*	*2.0%*	*0.8%*	*1.3%*	*-2.9%*	*-4.2%*	*-2.5%*	*-1.6%*
ELEC & NONELEC MACH										
Idaho	18,192	20,265	21,583	23,307	23,150	24,669	25,933	27,356	29,038	30,803
% Ch	*6.3%*	*11.4%*	*6.5%*	*8.0%*	*-0.7%*	*6.6%*	*5.1%*	*5.5%*	*6.2%*	*6.1%*
National (Thousands)	3,692	3,775	3,857	3,914	3,808	3,839	3,629	3,399	3,483	3,623
% Ch	*3.7%*	*2.2%*	*2.2%*	*1.5%*	*-2.7%*	*0.8%*	*-5.5%*	*-6.3%*	*2.5%*	*4.0%*
OTHER DURABLES										
Idaho	4,923	5,018	5,297	5,798	6,057	6,158	6,077	6,561	6,984	7,327
% Ch	*18.7%*	*1.9%*	*5.5%*	*9.5%*	*4.5%*	*1.7%*	*-1.3%*	*8.0%*	*6.4%*	*4.9%*
National (Thousands)	4,246	4,243	4,325	4,408	4,382	4,351	4,180	4,034	4,053	4,056
% Ch	*0.7%*	*-0.1%*	*1.9%*	*1.9%*	*-0.6%*	*-0.7%*	*-3.9%*	*-3.5%*	*0.5%*	*0.1%*

National Variables Forecast by DRI*WEFA

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IDAHO ECONOMIC FORECAST

ANNUAL DETAIL

JULY 2001

EMPLOYMENT

	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994
MANUFACTURING (continued)										
NONDURABLE MANUFACTURING										
Idaho	27,901	26,579	27,225	28,579	28,396	28,824	30,075	30,958	31,755	31,253
% Ch	*3.2%*	*-4.7%*	*2.4%*	*5.0%*	*-0.6%*	*1.5%*	*4.3%*	*2.9%*	*2.6%*	*-1.6%*
National (Thousands)	7,791	7,753	7,845	7,952	7,997	7,968	7,837	7,827	7,854	7,875
% Ch	*-1.3%*	*-0.5%*	*1.2%*	*1.4%*	*0.6%*	*-0.4%*	*-1.6%*	*-0.1%*	*0.4%*	*0.3%*
FOOD PROCESSING										
Idaho	16,580	15,412	16,099	17,336	16,984	16,805	17,487	17,819	18,565	18,020
% Ch	*-0.3%*	*-7.0%*	*4.5%*	*7.7%*	*-2.0%*	*-1.1%*	*4.1%*	*1.9%*	*4.2%*	*-2.9%*
National (Thousands)	*1,601*	*1,607*	*1,617*	*1,626*	*1,645*	*1,661*	*1,667*	*1,662*	*1,680*	*1,679*
% Ch	*-0.7%*	*0.4%*	*0.6%*	*0.6%*	*1.1%*	*1.0%*	*0.4%*	*-0.3%*	*1.1%*	*-0.1%*
CANNED, CURED, & FROZEN										
Idaho	10,942	9,867	10,612	11,331	11,225	11,065	11,747	12,094	12,532	11,706
% Ch	*1.9%*	*-9.8%*	*7.5%*	*6.8%*	*-0.9%*	*-1.4%*	*6.2%*	*3.0%*	*3.6%*	*-6.6%*
OTHER FOOD PROCESSING										
Idaho	5,638	5,544	5,487	6,004	5,759	5,740	5,740	5,725	6,033	6,315
% Ch	*-4.1%*	*-1.7%*	*-1.0%*	*9.4%*	*-4.1%*	*-0.3%*	*0.0%*	*-0.3%*	*5.4%*	*4.7%*
PAPER, PRINTING, PUBLISH.										
Idaho	5,984	5,946	6,067	6,373	6,592	6,976	7,179	7,172	7,145	7,089
% Ch	*9.3%*	*-0.6%*	*2.0%*	*5.0%*	*3.4%*	*5.8%*	*2.9%*	*-0.1%*	*-0.4%*	*-0.8%*
National (Thousands)	2,097	2,123	2,177	2,232	2,251	2,266	2,223	2,197	2,209	2,230
% Ch	*2.3%*	*1.2%*	*2.5%*	*2.5%*	*0.9%*	*0.6%*	*-1.9%*	*-1.2%*	*0.5%*	*0.9%*
CHEMICALS										
Idaho	3,573	3,335	3,273	3,536	3,523	3,554	3,903	4,277	4,250	4,135
% Ch	*2.1%*	*-6.6%*	*-1.9%*	*8.0%*	*-0.3%*	*0.9%*	*9.8%*	*9.6%*	*-0.6%*	*-2.7%*
National (Thousands)	1,044	1,021	1,025	1,057	1,074	1,086	1,076	1,084	1,081	1,057
% Ch	*-0.5%*	*-2.2%*	*0.4%*	*3.2%*	*1.6%*	*1.1%*	*-0.9%*	*0.8%*	*-0.3%*	*-2.2%*
OTHER NONDURABLES										
Idaho	1,765	1,886	1,786	1,335	1,297	1,488	1,505	1,690	1,795	2,008
% Ch	*22.6%*	*6.9%*	*-5.3%*	*-25.3%*	*-2.8%*	*14.8%*	*1.1%*	*12.3%*	*6.2%*	*11.9%*
National (Thousands)	3,049	3,002	3,026	3,037	3,027	2,955	2,871	2,883	2,885	2,910
% Ch	*-4.3%*	*-1.6%*	*0.8%*	*0.3%*	*-0.3%*	*-2.4%*	*-2.9%*	*0.4%*	*0.1%*	*0.9%*
MINING										
Idaho	3,852	2,893	2,568	3,280	3,673	3,873	3,086	2,605	2,199	2,419
%Ch	*-7.8%*	*-24.9%*	*-11.2%*	*27.7%*	*12.0%*	*5.4%*	*-20.3%*	*-15.6%*	*-15.6%*	*10.0%*
National (Thousands)	927	777	717	712	691	709	689	634	609	601
%Ch	*-4.0%*	*-16.1%*	*-7.7%*	*-0.7%*	*-3.0%*	*2.6%*	*-2.8%*	*-8.0%*	*-3.9%*	*-1.5%*
METAL MINING										
Idaho	2,599	1,919	1,595	2,140	2,612	2,754	1,994	1,453	1,007	1,211
%Ch	*-7.3%*	*-26.2%*	*-16.9%*	*34.2%*	*22.1%*	*5.5%*	*-27.6%*	*-27.1%*	*-30.7%*	*20.2%*
OTHER MINING										
Idaho	1,253	973	973	1,140	1,061	1,119	1,092	1,152	1,192	1,208
% Ch	*-8.8%*	*-22.3%*	*0.0%*	*17.2%*	*-6.9%*	*5.4%*	*-2.4%*	*5.5%*	*3.5%*	*1.4%*

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IDAHO ECONOMIC FORECAST

ANNUAL DETAIL

JULY 2001

EMPLOYMENT

	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
MANUFACTURING (continued)										
NONDURABLE MANUFACTURING										
Idaho	28,914	28,837	29,076	28,946	28,989	29,254	29,351	29,759	30,373	30,867
% Ch	*-7.5%*	*-0.3%*	*0.8%*	*-0.4%*	*0.1%*	*0.9%*	*0.3%*	*1.4%*	*2.1%*	*1.6%*
National (Thousands)	7,842	7,706	7,664	7,599	7,443	7,331	7,102	7,018	6,963	6,866
% Ch	*-0.4%*	*-1.7%*	*-0.5%*	*-0.8%*	*-2.1%*	*-1.5%*	*-3.1%*	*-1.2%*	*-0.8%*	*-1.4%*
FOOD PROCESSING										
Idaho	17,507	17,465	17,659	17,287	17,291	17,252	17,408	17,676	17,751	17,806
% Ch	*-2.9%*	*-0.2%*	*1.1%*	*-2.1%*	*0.0%*	*-0.2%*	*0.9%*	*1.5%*	*0.4%*	*0.3%*
National (Thousands)	*1,693*	*1,692*	*1,685*	*1,683*	*1,683*	*1,685*	*1,677*	*1,663*	*1,643*	*1,621*
% Ch	*0.8%*	*0.0%*	*-0.4%*	*-0.1%*	*0.0%*	*0.1%*	*-0.5%*	*-0.9%*	*-1.2%*	*-1.4%*
CANNED, CURED, & FROZEN										
Idaho	10,865	10,680	10,551	9,995	9,958	9,769	9,807	9,947	10,054	10,156
% Ch	*-7.2%*	*-1.7%*	*-1.2%*	*-5.3%*	*-0.4%*	*-1.9%*	*0.4%*	*1.4%*	*1.1%*	*1.0%*
OTHER FOOD PROCESSING										
Idaho	6,642	6,785	7,108	7,292	7,333	7,483	7,602	7,729	7,696	7,650
% Ch	*5.2%*	*2.2%*	*4.8%*	*2.6%*	*0.6%*	*2.0%*	*1.6%*	*1.7%*	*-0.4%*	*-0.6%*
PAPER, PRINTING, PUBLISH.										
Idaho	7,118	7,191	7,215	7,440	7,393	7,637	7,609	7,622	7,951	8,218
% Ch	*0.4%*	*1.0%*	*0.3%*	*3.1%*	*-0.6%*	*3.3%*	*-0.4%*	*0.2%*	*4.3%*	*3.4%*
National (Thousands)	2,239	2,224	2,235	2,242	2,220	2,204	2,143	2,103	2,092	2,077
% Ch	*0.4%*	*-0.6%*	*0.5%*	*0.3%*	*-1.0%*	*-0.7%*	*-2.8%*	*-1.9%*	*-0.5%*	*-0.7%*
CHEMICALS										
Idaho	2,345	2,333	2,285	2,358	2,301	2,333	2,265	2,301	2,422	2,506
% Ch	*-43.3%*	*-0.5%*	*-2.1%*	*3.2%*	*-2.4%*	*1.4%*	*-2.9%*	*1.6%*	*5.3%*	*3.5%*
National (Thousands)	1,038	1,034	1,036	1,043	1,035	1,038	1,029	1,011	1,004	997
% Ch	*-1.8%*	*-0.4%*	*0.2%*	*0.7%*	*-0.7%*	*0.2%*	*-0.9%*	*-1.7%*	*-0.7%*	*-0.7%*
OTHER NONDURABLES										
Idaho	1,944	1,848	1,917	1,860	2,004	2,032	2,068	2,161	2,250	2,337
% Ch	*-3.2%*	*-4.9%*	*3.7%*	*-3.0%*	*7.7%*	*1.4%*	*1.8%*	*4.5%*	*4.1%*	*3.9%*
National (Thousands)	2,872	2,756	2,708	2,631	2,504	2,405	2,253	2,242	2,223	2,171
% Ch	*-1.3%*	*-4.0%*	*-1.8%*	*-2.9%*	*-4.8%*	*-4.0%*	*-6.3%*	*-0.5%*	*-0.8%*	*-2.3%*
MINING										
Idaho	2,726	3,062	3,098	2,903	2,582	2,425	2,113	1,723	1,692	1,726
%Ch	*12.7%*	*12.3%*	*1.2%*	*-6.3%*	*-11.1%*	*-6.1%*	*-12.9%*	*-18.5%*	*-1.8%*	*2.0%*
National (Thousands)	581	580	597	590	539	542	556	508	484	458
%Ch	*-3.3%*	*-0.2%*	*2.9%*	*-1.1%*	*-8.7%*	*0.6%*	*2.6%*	*-8.7%*	*-4.7%*	*-5.3%*
METAL MINING										
Idaho	1,593	1,848	1,843	1,693	1,427	1,223	1,071	879	881	953
%Ch	*31.6%*	*16.0%*	*-0.3%*	*-8.1%*	*-15.7%*	*-14.3%*	*-12.5%*	*-17.9%*	*0.3%*	*8.1%*
OTHER MINING										
Idaho	1,133	1,214	1,255	1,210	1,155	1,201	1,042	844	810	773
% Ch	*-6.2%*	*7.2%*	*3.4%*	*-3.6%*	*-4.6%*	*4.0%*	*-13.3%*	*-19.0%*	*-4.0%*	*-4.6%*

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ANNUAL DETAIL

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EMPLOYMENT

	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994
GOODS PRODUCING (continued)										
CONSTRUCTION										
Idaho	15,067	14,612	13,721	14,205	16,067	18,716	20,216	22,139	24,631	28,983
% Ch	*3.6%*	*-3.0%*	*-6.1%*	*3.5%*	*13.1%*	*16.5%*	*8.0%*	*9.5%*	*11.3%*	*17.7%*
National (Thousands)	4,667	4,810	4,958	5,096	5,171	5,125	4,655	4,492	4,665	4,982
% Ch	*6.6%*	*3.1%*	*3.1%*	*2.8%*	*1.5%*	*-0.9%*	*-9.2%*	*-3.5%*	*3.9%*	*6.8%*
SERVICE PRODUCING SECTOR										
Idaho	262,330	258,663	263,104	272,644	285,704	299,854	311,597	326,110	340,653	357,871
% Ch	*2.1%*	*-1.4%*	*1.7%*	*3.6%*	*4.8%*	*5.0%*	*3.9%*	*4.7%*	*4.5%*	*5.1%*
National (Thousands)	72,544	74,809	77,280	80,079	82,630	84,495	84,506	85,359	87,341	90,229
% Ch	*4.1%*	*3.1%*	*3.3%*	*3.6%*	*3.2%*	*2.3%*	*0.0%*	*1.0%*	*2.3%*	*3.3%*
FINANCE, INSUR, REAL ESTATE										
Idaho	23,671	18,878	19,125	19,270	19,291	19,838	20,626	21,457	22,756	24,101
% Ch	*0.9%*	*-20.2%*	*1.3%*	*0.8%*	*0.1%*	*2.8%*	*4.0%*	*4.0%*	*6.1%*	*5.9%*
National (Thousands)	5,948	6,272	6,533	6,629	6,669	6,709	6,647	6,602	6,757	6,895
% Ch	*4.7%*	*5.4%*	*4.2%*	*1.5%*	*0.6%*	*0.6%*	*-0.9%*	*-0.7%*	*2.3%*	*2.0%*
TRANS, COMMUN, PUBLIC UTIL										
Idaho	19,281	18,282	17,920	18,487	19,257	19,788	20,031	20,342	20,879	21,876
% Ch	*1.1%*	*-5.2%*	*-2.0%*	*3.2%*	*4.2%*	*2.8%*	*1.2%*	*1.6%*	*2.6%*	*4.8%*
National (Thousands)	5,233	5,247	5,362	5,512	5,614	5,776	5,755	5,718	5,811	5,985
% Ch	*1.5%*	*0.3%*	*2.2%*	*2.8%*	*1.9%*	*2.9%*	*-0.4%*	*-0.6%*	*1.6%*	*3.0%*
TRADE										
Idaho	84,148	83,886	84,892	87,339	93,122	97,089	100,986	105,894	109,371	116,688
% Ch	*1.4%*	*-0.3%*	*1.2%*	*2.9%*	*6.6%*	*4.3%*	*4.0%*	*4.9%*	*3.3%*	*6.7%*
National (Thousands)	23,041	23,641	24,269	25,055	25,664	25,774	25,363	25,352	25,753	26,664
% Ch	*4.4%*	*2.6%*	*2.7%*	*3.2%*	*2.4%*	*0.4%*	*-1.6%*	*0.0%*	*1.6%*	*3.5%*
SERVICES										
Idaho	65,060	66,655	67,956	71,913	76,161	81,750	85,621	90,396	97,221	102,832
% Ch	*4.1%*	*2.5%*	*2.0%*	*5.8%*	*5.9%*	*7.3%*	*4.7%*	*5.6%*	*7.6%*	*5.8%*
National (Thousands)	21,927	22,957	24,109	25,500	26,904	27,930	28,335	29,047	30,193	31,575
% Ch	*5.7%*	*4.7%*	*5.0%*	*5.8%*	*5.5%*	*3.8%*	*1.5%*	*2.5%*	*3.9%*	*4.6%*
STATE & LOCAL GOVERNMENT										
Idaho	58,380	59,135	61,123	63,156	65,184	68,334	71,423	74,562	76,844	78,878
% Ch	*2.2%*	*1.3%*	*3.4%*	*3.3%*	*3.2%*	*4.8%*	*4.5%*	*4.4%*	*3.1%*	*2.6%*
National (Thousands)	13,519	13,792	14,065	14,411	14,791	15,220	15,439	15,672	15,913	16,241
% Ch	*2.3%*	*2.0%*	*2.0%*	*2.5%*	*2.6%*	*2.9%*	*1.4%*	*1.5%*	*1.5%*	*2.1%*
Idaho Education	32,317	32,845	33,422	34,572	35,603	37,263	38,840	40,454	42,027	42,726
% Ch	*2.8%*	*1.6%*	*1.8%*	*3.4%*	*3.0%*	*4.7%*	*4.2%*	*4.2%*	*3.9%*	*1.7%*
Idaho Other	26,064	26,290	27,701	28,583	29,581	31,071	32,583	34,108	34,817	36,152
% Ch	*1.4%*	*0.9%*	*5.4%*	*3.2%*	*3.5%*	*5.0%*	*4.9%*	*4.7%*	*2.1%*	*3.8%*
FEDERAL GOVERNMENT										
Idaho	11,790	11,827	12,088	12,479	12,690	13,057	12,909	13,460	13,582	13,495
% Ch	*0.3%*	*0.3%*	*2.2%*	*3.2%*	*1.7%*	*2.9%*	*-1.1%*	*4.3%*	*0.9%*	*-0.6%*
National (Thousands)	2,875	2,899	2,943	2,972	2,989	3,086	2,967	2,968	2,914	2,870
% Ch	*2.4%*	*0.8%*	*1.5%*	*1.0%*	*0.6%*	*3.3%*	*-3.9%*	*0.0%*	*-1.8%*	*-1.5%*

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ANNUAL DETAIL

JULY 2001

EMPLOYMENT

	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
GOODS PRODUCING (continued)										
CONSTRUCTION										
Idaho	29,631	30,595	32,196	32,223	34,851	36,452	36,624	36,031	35,539	35,584
% Ch	*2.2%*	*3.3%*	*5.2%*	*0.1%*	*8.2%*	*4.6%*	*0.5%*	*-1.6%*	*-1.4%*	*0.1%*
National (Thousands)	5,168	5,418	5,691	6,018	6,413	6,701	6,877	6,832	6,757	6,774
% Ch	*3.7%*	*4.8%*	*5.1%*	*5.7%*	*6.6%*	*4.5%*	*2.6%*	*-0.7%*	*-1.1%*	*0.3%*
SERVICE PRODUCING SECTOR										
Idaho	373,968	385,993	398,834	410,282	425,542	443,173	451,959	459,258	470,020	482,134
% Ch	*4.5%*	*3.2%*	*3.3%*	*2.9%*	*3.7%*	*4.1%*	*2.0%*	*1.6%*	*2.3%*	*2.6%*
National (Thousands)	92,913	95,098	97,716	100,431	103,393	106,045	107,478	108,995	110,406	111,918
% Ch	*3.0%*	*2.4%*	*2.8%*	*2.8%*	*2.9%*	*2.6%*	*1.4%*	*1.4%*	*1.3%*	*1.4%*
FINANCE, INSUR, REAL ESTATE										
Idaho	24,971	25,177	25,396	22,927	23,561	23,497	23,049	23,167	23,402	23,729
% Ch	*3.6%*	*0.8%*	*0.9%*	*-9.7%*	*2.8%*	*-0.3%*	*-1.9%*	*0.5%*	*1.0%*	*1.4%*
National (Thousands)	6,808	6,912	7,108	7,388	7,555	7,561	7,681	7,781	7,848	7,934
% Ch	*-1.3%*	*1.5%*	*2.8%*	*3.9%*	*2.3%*	*0.1%*	*1.6%*	*1.3%*	*0.9%*	*1.1%*
TRANS, COMMUN, PUBLIC UTIL										
Idaho	22,704	23,404	24,245	25,495	26,895	27,943	28,132	28,266	28,420	28,620
% Ch	*3.8%*	*3.1%*	*3.6%*	*5.2%*	*5.5%*	*3.9%*	*0.7%*	*0.5%*	*0.5%*	*0.7%*
National (Thousands)	6,134	6,254	6,407	6,610	6,834	7,020	7,159	7,219	7,296	7,395
% Ch	*2.5%*	*2.0%*	*2.4%*	*3.2%*	*3.4%*	*2.7%*	*2.0%*	*0.8%*	*1.1%*	*1.3%*
TRADE										
Idaho	121,401	125,178	128,998	132,597	136,240	141,073	143,946	146,882	151,442	156,349
% Ch	*4.0%*	*3.1%*	*3.1%*	*2.8%*	*2.7%*	*3.5%*	*2.0%*	*2.0%*	*3.1%*	*3.2%*
National (Thousands)	27,564	28,076	28,615	29,097	29,761	30,329	30,603	30,708	30,806	31,009
% Ch	*3.4%*	*1.9%*	*1.9%*	*1.7%*	*2.3%*	*1.9%*	*0.9%*	*0.3%*	*0.3%*	*0.7%*
SERVICES										
Idaho	110,107	115,979	122,626	128,750	135,742	145,000	150,800	153,804	158,726	164,252
% Ch	*7.1%*	*5.3%*	*5.7%*	*5.0%*	*5.4%*	*6.8%*	*4.0%*	*2.0%*	*3.2%*	*3.5%*
National (Thousands)	33,115	34,455	36,038	37,526	39,048	40,461	41,261	42,308	43,330	44,309
% Ch	*4.9%*	*4.0%*	*4.6%*	*4.1%*	*4.1%*	*3.6%*	*2.0%*	*2.5%*	*2.4%*	*2.3%*
STATE & LOCAL GOVERNMENT										
Idaho	81,672	83,356	84,525	87,710	90,266	92,233	93,041	94,160	95,055	96,193
% Ch	*3.5%*	*2.1%*	*1.4%*	*3.8%*	*2.9%*	*2.2%*	*0.9%*	*1.2%*	*1.0%*	*1.2%*
National (Thousands)	16,472	16,647	16,850	17,126	17,528	17,894	18,159	18,357	18,504	18,648
% Ch	*1.4%*	*1.1%*	*1.2%*	*1.6%*	*2.3%*	*2.1%*	*1.5%*	*1.1%*	*0.8%*	*0.8%*
Idaho Education	44,838	45,825	46,012	47,883	49,387	50,593	50,987	51,896	52,566	53,482
% Ch	*4.9%*	*2.2%*	*0.4%*	*4.1%*	*3.1%*	*2.4%*	*0.8%*	*1.8%*	*1.3%*	*1.7%*
Idaho Other	36,834	37,531	38,513	39,827	40,879	41,640	42,054	42,263	42,489	42,711
% Ch	*1.9%*	*1.9%*	*2.6%*	*3.4%*	*2.6%*	*1.9%*	*1.0%*	*0.5%*	*0.5%*	*0.5%*
FEDERAL GOVERNMENT										
Idaho	13,113	12,900	13,044	12,804	12,839	13,427	12,991	12,980	12,977	12,991
% Ch	*-2.8%*	*-1.6%*	*1.1%*	*-1.8%*	*0.3%*	*4.6%*	*-3.2%*	*-0.1%*	*0.0%*	*0.1%*
National (Thousands)	2,821	2,755	2,698	2,685	2,668	2,780	2,614	2,622	2,622	2,623
% Ch	*-1.7%*	*-2.3%*	*-2.1%*	*-0.5%*	*-0.6%*	*4.2%*	*-6.0%*	*0.3%*	*0.0%*	*0.0%*

National Variables Forecast by DRI*WEFA

Forecast Begins the FIRST Quarter of 2001

IDAHO ECONOMIC FORECAST

ANNUAL DETAIL

JULY 2001

MISCELLANEOUS

	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994
FEDERAL TRANSFERS TO										
STATE & LOCAL GOVERNMENTS										
Idaho (Millions)	418.5	448.0	423.0	456.2	524.2	553.0	590.9	667.9	723.9	766.2
% Ch	*15.0%*	*7.1%*	*-5.6%*	*7.8%*	*14.9%*	*5.5%*	*6.8%*	*13.0%*	*8.4%*	*5.8%*
National (Billions)	80.9	87.6	83.9	91.6	98.3	111.4	131.6	149.1	162.6	174.5
% Ch	*5.4%*	*8.4%*	*-4.3%*	*9.2%*	*7.3%*	*13.3%*	*18.1%*	*13.3%*	*9.1%*	*7.3%*
SELECTED CHAIN-WEIGHTED DEFL.										
Gross Domestic Product	73.7	75.3	77.6	80.2	83.3	86.5	89.7	91.8	94.1	96.0
% Ch	*3.2%*	*2.2%*	*3.0%*	*3.4%*	*3.8%*	*3.9%*	*3.6%*	*2.4%*	*2.4%*	*2.1%*
Consumption Expenditures	71.0	72.7	75.5	78.4	81.9	85.6	88.9	91.6	93.8	95.7
% Ch	*3.4%*	*2.4%*	*3.8%*	*3.9%*	*4.4%*	*4.6%*	*3.8%*	*3.1%*	*2.4%*	*2.0%*
Durable Goods	88.6	89.7	92.2	93.5	95.1	96.0	97.4	98.3	99.1	100.6
% Ch	*1.2%*	*1.2%*	*2.8%*	*1.4%*	*1.8%*	*0.9%*	*1.4%*	*0.9%*	*0.8%*	*1.5%*
Nondurable Goods	77.3	77.0	79.7	82.3	86.3	91.0	93.8	95.2	96.1	96.8
% Ch	*2.2%*	*-0.4%*	*3.4%*	*3.4%*	*4.8%*	*5.5%*	*3.1%*	*1.5%*	*1.0%*	*0.7%*
Services	64.4	67.3	70.2	73.6	77.1	80.9	84.8	88.5	91.6	94.2
% Ch	*4.9%*	*4.6%*	*4.3%*	*4.9%*	*4.8%*	*5.0%*	*4.8%*	*4.3%*	*3.5%*	*2.8%*
Cons. Price Index (1982-84)	107.6	109.7	113.7	118.4	124.0	130.8	136.3	140.4	144.6	148.3
% Ch	*3.5%*	*1.9%*	*3.7%*	*4.1%*	*4.8%*	*5.4%*	*4.2%*	*3.0%*	*3.0%*	*2.6%*
SELECTED INTEREST RATES										
Federal Funds	8.10%	6.81%	6.66%	7.57%	9.22%	8.10%	5.69%	3.52%	3.02%	4.20%
Prime	9.93%	8.33%	8.20%	9.32%	10.87%	10.01%	8.46%	6.25%	6.00%	7.14%
Existing Home Mortgage	11.74%	10.25%	9.28%	9.31%	10.11%	10.04%	9.30%	8.11%	7.16%	7.47%
U.S. Govt. 3-Month Bills	7.48%	5.98%	5.78%	6.67%	8.11%	7.49%	5.38%	3.43%	3.00%	4.25%
SELECTED US PRODUCTION INDICES										
Lumber & Wood Products	83.3	90.2	94.9	95.1	94.3	91.9	85.6	90.5	91.2	95.8
% Ch	*2.4%*	*8.3%*	*5.3%*	*0.2%*	*-0.8%*	*-2.6%*	*-6.9%*	*5.8%*	*0.8%*	*5.1%*
Office & Computer Equip.	16.7	17.8	20.6	24.7	27.5	27.0	27.3	33.1	40.5	50.4
% Ch	*19.8%*	*6.7%*	*15.9%*	*19.9%*	*11.2%*	*-1.9%*	*1.1%*	*21.4%*	*22.2%*	*24.6%*
Electrical Machinery	33.1	34.3	36.6	39.9	41.5	42.5	43.4	48.4	53.1	63.6
% Ch	*2.6%*	*3.7%*	*6.6%*	*9.1%*	*3.9%*	*2.3%*	*2.1%*	*11.6%*	*9.8%*	*19.7%*
Electronic Components	11.7	12.6	14.8	16.6	18.6	20.5	23.0	28.5	32.6	43.2
% Ch	*1.6%*	*7.3%*	*17.4%*	*12.7%*	*11.5%*	*10.4%*	*12.2%*	*23.7%*	*14.5%*	*32.6%*
Food	84.4	86.5	88.8	90.1	91.0	92.1	93.4	94.9	96.8	98.4
% Ch	*2.9%*	*2.6%*	*2.6%*	*1.4%*	*1.1%*	*1.2%*	*1.4%*	*1.6%*	*2.0%*	*1.6%*
Paper	78.2	82.3	84.8	87.4	89.0	89.5	90.3	93.2	96.4	99.8
% Ch	*-1.4%*	*5.3%*	*3.0%*	*3.1%*	*1.7%*	*0.6%*	*0.8%*	*3.3%*	*3.4%*	*3.5%*
Agricultural Chemicals	78.9	73.1	82.7	87.9	95.0	98.1	95.4	97.7	98.6	98.2
% Ch	*-5.8%*	*-7.4%*	*13.1%*	*6.4%*	*8.1%*	*3.3%*	*-2.8%*	*2.5%*	*0.9%*	*-0.4%*
Metals & Minerals Mining	69.4	70.1	73.3	80.3	85.1	89.2	86.2	90.5	91.3	95.1
% Ch	*1.4%*	*1.0%*	*4.5%*	*9.5%*	*6.0%*	*4.8%*	*-3.3%*	*5.0%*	*0.8%*	*4.2%*

National Variables Forecast by DRI*WEFA

Forecast Begins the FIRST Quarter of 2001

IDAHO ECONOMIC FORECAST

ANNUAL DETAIL

JULY 2001

MISCELLANEOUS

	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
FEDERAL TRANSFERS TO										
STATE & LOCAL GOVERNMENTS										
Idaho (Millions)	835.6	910.5	907.1	966.0	1,058.8	1,131.9	1,245.5	1,340.7	1,428.6	1,519.4
% Ch	*9.1%*	*9.0%*	*-0.4%*	*6.5%*	*9.6%*	*6.9%*	*10.0%*	*7.6%*	*6.6%*	*6.4%*
National (Billions)	184.5	190.4	196.8	209.1	229.3	244.6	269.5	290.7	309.9	329.7
% Ch	*5.7%*	*3.2%*	*3.3%*	*6.3%*	*9.7%*	*6.7%*	*10.2%*	*7.9%*	*6.6%*	*6.4%*
SELECTED CHAIN-WEIGHTED DEFL.										
Gross Domestic Product	98.1	100.0	101.9	103.2	104.8	107.0	109.6	112.3	115.1	117.7
% Ch	*2.2%*	*1.9%*	*1.9%*	*1.3%*	*1.5%*	*2.1%*	*2.4%*	*2.5%*	*2.5%*	*2.3%*
Consumption Expenditures	97.9	100.0	101.9	103.0	104.8	107.4	109.9	112.3	114.8	117.3
% Ch	*2.3%*	*2.2%*	*1.9%*	*1.1%*	*1.8%*	*2.4%*	*2.4%*	*2.1%*	*2.3%*	*2.2%*
Durable Goods	101.1	100.0	97.7	95.4	93.1	91.5	90.7	90.3	89.9	89.5
% Ch	*0.5%*	*-1.0%*	*-2.3%*	*-2.4%*	*-2.4%*	*-1.7%*	*-0.9%*	*-0.5%*	*-0.4%*	*-0.4%*
Nondurable Goods	97.9	100.0	101.3	101.4	103.7	107.6	109.7	111.2	113.2	115.1
% Ch	*1.1%*	*2.1%*	*1.3%*	*0.0%*	*2.3%*	*3.7%*	*2.0%*	*1.3%*	*1.8%*	*1.7%*
Services	97.2	100.0	103.1	105.5	108.0	110.8	114.4	117.9	121.5	125.0
% Ch	*3.3%*	*2.8%*	*3.1%*	*2.3%*	*2.4%*	*2.6%*	*3.3%*	*3.0%*	*3.0%*	*2.9%*
Cons. Price Index (1982-84)	152.5	157.0	160.6	163.1	166.7	172.3	178.2	182.7	187.1	191.4
% Ch	*2.8%*	*2.9%*	*2.3%*	*1.5%*	*2.2%*	*3.4%*	*3.4%*	*2.5%*	*2.4%*	*2.3%*
SELECTED INTEREST RATES										
Federal Funds	5.84%	5.30%	5.46%	5.35%	4.97%	6.24%	4.27%	3.56%	4.19%	4.69%
Prime	8.83%	8.27%	8.44%	8.35%	7.99%	9.23%	7.28%	6.56%	7.19%	7.69%
Existing Home Mortgage	7.85%	7.71%	7.68%	7.10%	7.33%	8.03%	7.51%	7.69%	7.71%	7.80%
U.S. Govt. 3-Month Bills	5.49%	5.01%	5.06%	4.78%	4.64%	5.82%	3.81%	3.29%	3.90%	4.38%
SELECTED US PRODUCTION INDICES										
Lumber & Wood Products	97.7	100.0	103.2	107.5	110.8	107.0	99.4	98.3	99.6	100.9
% Ch	*1.9%*	*2.4%*	*3.2%*	*4.1%*	*3.1%*	*-3.5%*	*-7.1%*	*-1.1%*	*1.4%*	*1.3%*
Office & Computer Equip.	70.1	100.0	139.8	196.8	310.3	446.1	506.4	616.8	733.5	849.8
% Ch	*39.1%*	*42.6%*	*39.8%*	*40.8%*	*57.7%*	*43.8%*	*13.5%*	*21.8%*	*18.9%*	*15.9%*
Electrical Machinery	80.3	100.0	127.9	155.4	193.3	265.8	282.7	306.9	351.0	399.9
% Ch	*26.3%*	*24.5%*	*27.9%*	*21.5%*	*24.4%*	*37.5%*	*6.3%*	*8.6%*	*14.4%*	*14.0%*
Electronic Components	67.4	100.0	151.5	209.8	311.5	542.8	607.7	690.4	803.0	927.7
% Ch	*56.0%*	*48.3%*	*51.5%*	*38.5%*	*48.5%*	*74.2%*	*12.0%*	*13.6%*	*16.3%*	*15.5%*
Food	100.3	100.0	101.6	105.1	106.8	108.7	108.7	110.7	111.2	111.7
% Ch	*2.0%*	*-0.3%*	*1.6%*	*3.5%*	*1.6%*	*1.8%*	*0.0%*	*1.8%*	*0.5%*	*0.4%*
Paper	100.4	100.0	105.7	107.3	109.3	108.2	102.6	107.3	111.0	113.5
% Ch	*0.6%*	*-0.4%*	*5.7%*	*1.6%*	*1.8%*	*-1.0%*	*-5.2%*	*4.5%*	*3.5%*	*2.3%*
Agricultural Chemicals	98.0	100.0	104.5	105.5	104.6	98.7	94.2	100.4	102.8	103.0
% Ch	*-0.2%*	*2.0%*	*4.5%*	*0.9%*	*-0.8%*	*-5.6%*	*-4.5%*	*6.6%*	*2.3%*	*0.2%*
Metals & Minerals Mining	98.0	100.0	104.4	106.2	104.0	103.7	99.4	97.6	97.3	98.4
% Ch	*3.0%*	*2.1%*	*4.4%*	*1.7%*	*-2.1%*	*-0.2%*	*-4.1%*	*-1.8%*	*-0.3%*	*1.1%*

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Forecast Begins the FIRST Quarter of 2001

IDAHO ECONOMIC FORECAST

QUARTERLY DETAIL

JULY 2001

DEMOGRAPHICS

	1998				1999				2000			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
POPULATION												
Idaho (Thousands)	1,223.9	1,228.6	1,233.4	1,238.1	1,243.5	1,249.1	1,254.5	1,260.2	1,265.4	1,270.8	1,275.6	1,280.7
% Ch	*1.6%*	*1.5%*	*1.6%*	*1.5%*	*1.8%*	*1.8%*	*1.7%*	*1.8%*	*1.7%*	*1.7%*	*1.5%*	*1.6%*
National (Millions)	269.9	270.5	271.1	271.7	272.3	272.9	273.6	274.2	274.8	275.4	276.0	276.6
% Ch	*0.9%*	*0.9%*	*0.9%*	*0.9%*	*0.9%*	*0.9%*	*0.9%*	*0.9%*	*0.9%*	*0.9%*	*0.9%*	*0.9%*
BIRTHS												
Idaho (Thousands)	18.856	19.077	19.300	19.521	19.668	19.822	19.969	20.127	19.978	20.029	20.059	20.101
% Ch	*5.0%*	*4.8%*	*4.8%*	*4.6%*	*3.1%*	*3.2%*	*3.0%*	*3.2%*	*-2.9%*	*1.0%*	*0.6%*	*0.8%*
National (Thousands)	3,884	3,881	3,879	3,877	3,876	3,874	3,873	3,873	3,872	3,872	3,872	3,873
% Ch	*-0.3%*	*-0.3%*	*-0.2%*	*-0.2%*	*-0.1%*	*-0.2%*	*-0.1%*	*-0.1%*	*-0.1%*	*-0.1%*	*0.0%*	*0.1%*
DEATHS												
Idaho (Thousands)	9.050	9.086	9.123	9.159	9.389	9.430	9.520	9.612	9.428	9.469	9.507	9.547
% Ch	*1.7%*	*1.6%*	*1.6%*	*1.6%*	*10.4%*	*1.8%*	*3.9%*	*3.9%*	*-7.4%*	*1.8%*	*1.6%*	*1.7%*
National (Thousands)	2,362	2,369	2,375	2,382	2,389	2,396	2,402	2,409	2,415	2,421	2,427	2,433
% Ch	*1.2%*	*1.1%*	*1.1%*	*1.1%*	*1.2%*	*1.1%*	*1.1%*	*1.0%*	*1.1%*	*1.0%*	*1.0%*	*0.9%*
NET MIGRATION												
Idaho (Thousands)	9.794	8.810	9.023	8.438	11.321	12.008	11.151	12.285	10.309	10.981	8.741	9.902
HOUSING												
HOUSING STARTS												
Idaho	10,558	9,829	9,501	10,582	10,079	10,293	10,503	10,450	11,402	11,639	11,666	11,399
% Ch	*47.2%*	*-24.9%*	*-12.7%*	*53.8%*	*-17.7%*	*8.8%*	*8.4%*	*-2.0%*	*41.7%*	*8.6%*	*0.9%*	*-8.9%*
National (Millions)	*1.559*	*1.572*	*1.631*	*1.722*	*1.709*	*1.574*	*1.651*	*1.655*	*1.668*	*1.586*	*1.505*	*1.539*
% Ch	*7.1%*	*3.6%*	*15.9%*	*24.3%*	*-3.0%*	*-28.0%*	*20.9%*	*1.0%*	*3.3%*	*-18.3%*	*-18.9%*	*9.3%*
SINGLE UNITS												
Idaho	9,104	8,763	8,806	9,489	9,256	9,372	9,021	9,112	10,277	10,133	10,590	10,485
% Ch	*43.4%*	*-14.2%*	*2.0%*	*34.8%*	*-9.5%*	*5.1%*	*-14.1%*	*4.1%*	*61.8%*	*-5.5%*	*19.3%*	*-3.9%*
National (Millions)	1.228	1.239	1.279	1.364	1.337	1.266	1.286	1.335	1.287	1.234	1.191	1.221
% Ch	*33.2%*	*3.5%*	*13.4%*	*29.6%*	*-7.8%*	*-19.6%*	*6.6%*	*16.1%*	*-13.7%*	*-15.4%*	*-13.4%*	*10.6%*
MULTIPLE UNITS												
Idaho	1,454	1,066	695	1,093	823	922	1,482	1,338	1,125	1,506	1,076	914
% Ch	*74.5%*	*-71.1%*	*-81.9%*	*511.2%*	*-68.0%*	*57.6%*	*568.4%*	*-33.5%*	*-50.0%*	*221.4%*	*-73.9%*	*-48.1%*
National (Millions)	0.330	0.333	0.353	0.358	0.372	0.308	0.364	0.319	0.381	0.352	0.315	0.318
% Ch	*-47.8%*	*3.7%*	*25.3%*	*6.2%*	*17.0%*	*-53.0%*	*94.9%*	*-41.0%*	*103.3%*	*-27.4%*	*-36.1%*	*4.7%*
HOUSING STOCK												
Idaho (Thousands)	399.1	401.2	403.3	405.6	407.9	410.1	412.4	414.7	417.3	419.9	422.5	425.0
% Ch	*2.4%*	*2.2%*	*2.1%*	*2.3%*	*2.2%*	*2.2%*	*2.3%*	*2.3%*	*2.5%*	*2.5%*	*2.5%*	*2.4%*

National Variables Forecast by DRI*WEFA

Forecast Begins the FIRST Quarter of 2001

IDAHO ECONOMIC FORECAST

QUARTERLY DETAIL

JULY 2001

DEMOGRAPHICS

	2001				2002				2003			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
POPULATION	1,286.0	1,290.4	1,294.7	1,298.8	1,302.5	1,306.1	1,310.0	1,314.0	1,318.2	1,322.5	1,326.6	1,330.7
Idaho (Thousands)	*1.6%*	*1.4%*	*1.4%*	*1.3%*	*1.1%*	*1.1%*	*1.2%*	*1.2%*	*1.3%*	*1.3%*	*1.3%*	*1.2%*
% Ch	277.2	277.9	278.5	279.1	279.7	280.4	281.0	281.6	282.2	282.9	283.5	284.1
National (Millions)	*0.9%*	*0.9%*	*0.9%*	*0.9%*	*0.9%*	*0.9%*	*0.9%*	*0.9%*	*0.9%*	*0.9%*	*0.9%*	*0.9%*
% Ch												
BIRTHS	20.146	20.161	20.174	20.177	20.165	20.152	20.146	20.146	20.153	20.165	20.170	20.174
Idaho (Thousands)	*0.9%*	*0.3%*	*0.3%*	*0.1%*	*-0.2%*	*-0.3%*	*-0.1%*	*0.0%*	*0.1%*	*0.3%*	*0.1%*	*0.1%*
% Ch	3,874	3,875	3,877	3,879	3,881	3,883	3,886	3,890	3,894	3,898	3,903	3,909
National (Thousands)	*0.1%*	*0.1%*	*0.2%*	*0.2%*	*0.2%*	*0.2%*	*0.3%*	*0.4%*	*0.4%*	*0.4%*	*0.5%*	*0.6%*
% Ch												
DEATHS	9.588	9.623	9.659	9.693	9.724	9.755	9.787	9.821	9.855	9.890	9.925	9.958
Idaho (Thousands)	*1.7%*	*1.5%*	*1.5%*	*1.4%*	*1.3%*	*1.3%*	*1.3%*	*1.4%*	*1.4%*	*1.4%*	*1.4%*	*1.4%*
% Ch	2,438	2,443	2,449	2,454	2,459	2,465	2,470	2,475	2,480	2,485	2,490	2,495
National (Thousands)	*0.9%*	*0.9%*	*0.9%*	*0.9%*	*0.9%*	*0.9%*	*0.8%*	*0.8%*	*0.8%*	*0.8%*	*0.8%*	*0.8%*
% Ch												
NET MIGRATION	10.331	7.090	6.970	5.816	4.250	4.198	5.010	5.704	6.406	7.120	6.318	6.171
Idaho (Thousands)												
HOUSING												
HOUSING STARTS	11,219	10,982	10,732	10,490	10,344	10,193	10,064	9,920	9,866	9,864	9,906	9,993
Idaho	*-6.2%*	*-8.2%*	*-8.8%*	*-8.7%*	*-5.5%*	*-5.7%*	*-5.0%*	*-5.6%*	*-2.2%*	*-0.1%*	*1.7%*	*3.6%*
% Ch	*1.625*	*1.561*	*1.525*	*1.541*	*1.524*	*1.499*	*1.497*	*1.504*	*1.507*	*1.521*	*1.531*	*1.539*
National (Millions)	*24.2%*	*-14.9%*	*-8.9%*	*4.4%*	*-4.5%*	*-6.3%*	*-0.5%*	*1.8%*	*0.9%*	*3.8%*	*2.5%*	*2.1%*
% Ch												
SINGLE UNITS	10,085	9,941	9,771	9,602	9,567	9,499	9,432	9,335	9,284	9,270	9,282	9,328
Idaho	*-14.4%*	*-5.6%*	*-6.7%*	*-6.8%*	*-1.4%*	*-2.8%*	*-2.8%*	*-4.0%*	*-2.2%*	*-0.6%*	*0.6%*	*2.0%*
% Ch	1.277	1.246	1.202	1.202	1.185	1.174	1.175	1.177	1.179	1.186	1.190	1.194
National (Millions)	*19.6%*	*-9.3%*	*-13.4%*	*0.1%*	*-5.7%*	*-3.6%*	*0.3%*	*0.7%*	*0.8%*	*2.3%*	*1.5%*	*1.2%*
% Ch												
MULTIPLE UNITS	1,134	1,040	961	889	777	694	632	585	581	595	623	665
Idaho	*137.0%*	*-29.1%*	*-27.2%*	*-26.9%*	*-41.4%*	*-36.6%*	*-30.9%*	*-26.7%*	*-2.6%*	*9.6%*	*20.5%*	*29.8%*
% Ch	0.348	0.314	0.322	0.339	0.339	0.325	0.322	0.327	0.328	0.335	0.340	0.345
National (Millions)	*42.8%*	*-33.4%*	*10.6%*	*22.0%*	*0.1%*	*-15.4%*	*-3.2%*	*5.8%*	*1.5%*	*9.0%*	*6.0%*	*5.2%*
% Ch												
HOUSING STOCK	427.5	429.9	432.3	434.6	436.8	439.1	441.2	443.4	445.5	447.7	449.8	452.0
Idaho (Thousands)	*2.4%*	*2.3%*	*2.2%*	*2.1%*	*2.1%*	*2.0%*	*2.0%*	*2.0%*	*1.9%*	*1.9%*	*1.9%*	*1.9%*
% Ch												

National Variables Forecast by DRI*WEFA

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IDAHO ECONOMIC FORECAST

QUARTERLY DETAIL

JULY 2001

OUTPUT, INCOME, & WAGES

	1998				1999				2000			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
GROSS DOM. PRODUCT (Billions)												
Current Dollars	8,634.7	8,722.0	8,829.1	8,974.9	9,104.5	9,191.5	9,340.9	9,559.7	9,752.7	9,945.7	10,039.4	10,114.4
% Ch	*7.6%*	*4.1%*	*5.0%*	*6.8%*	*5.9%*	*3.9%*	*6.7%*	*9.7%*	*8.3%*	*8.2%*	*3.8%*	*3.0%*
1996 Chain-Weighted	8,404.9	8,465.6	8,537.6	8,654.5	8,730.0	8,783.2	8,905.8	9,084.1	9,191.8	9,318.9	9,369.5	9,393.7
% Ch	*6.5%*	*2.9%*	*3.4%*	*5.6%*	*3.5%*	*2.5%*	*5.7%*	*8.3%*	*4.8%*	*5.6%*	*2.2%*	*1.0%*
PERSONAL INCOME - CURR $												
Idaho (Millions)	26,489	26,716	27,088	27,643	27,876	28,299	28,732	29,601	30,454	31,304	31,722	31,670
% Ch	*12.5%*	*3.5%*	*5.7%*	*8.5%*	*3.4%*	*6.2%*	*6.3%*	*12.7%*	*12.0%*	*11.6%*	*5.4%*	*-0.7%*
Idaho Nonfarm (Millions)	25,604	25,870	26,282	26,611	26,947	27,305	27,879	28,613	29,436	30,200	30,326	30,711
% Ch	*9.4%*	*4.2%*	*6.5%*	*5.1%*	*5.1%*	*5.4%*	*8.7%*	*11.0%*	*12.0%*	*10.8%*	*1.7%*	*5.2%*
National (Billions)	7,231	7,339	7,445	7,549	7,628	7,730	7,828	7,972	8,106	8,242	8,349	8,430
% Ch	*7.7%*	*6.2%*	*5.9%*	*5.7%*	*4.3%*	*5.4%*	*5.2%*	*7.6%*	*6.9%*	*6.9%*	*5.3%*	*3.9%*
PERSONAL INCOME - 1996 $												
Idaho (Millions)	25,838	25,980	26,248	26,689	26,799	27,053	27,338	28,013	28,574	29,221	29,479	29,292
% Ch	*12.1%*	*2.2%*	*4.2%*	*6.9%*	*1.7%*	*3.9%*	*4.3%*	*10.3%*	*8.2%*	*9.4%*	*3.6%*	*-2.5%*
Idaho Nonfarm (Millions)	24,974	25,158	25,467	25,692	25,906	26,103	26,526	27,078	27,618	28,190	28,182	28,405
% Ch	*9.0%*	*3.0%*	*5.0%*	*3.6%*	*3.4%*	*3.1%*	*6.6%*	*8.6%*	*8.2%*	*8.5%*	*-0.1%*	*3.2%*
National (Billions)	7,053	7,138	7,215	7,288	7,334	7,390	7,449	7,545	7,606	7,694	7,759	7,797
% Ch	*7.3%*	*4.9%*	*4.4%*	*4.1%*	*2.5%*	*3.1%*	*3.2%*	*5.3%*	*3.3%*	*4.7%*	*3.4%*	*2.0%*
PER CAPITA PERS INC - CURR $												
Idaho	21,643	21,745	21,962	22,327	22,417	22,656	22,903	23,489	24,066	24,633	24,868	24,728
% Ch	*10.7%*	*1.9%*	*4.1%*	*6.8%*	*1.6%*	*4.3%*	*4.4%*	*10.6%*	*10.2%*	*9.8%*	*3.9%*	*-2.2%*
National	26,791	27,132	27,461	27,780	28,010	28,320	28,618	29,079	29,501	29,931	30,251	30,474
% Ch	*6.7%*	*5.2%*	*4.9%*	*4.7%*	*3.3%*	*4.5%*	*4.3%*	*6.6%*	*5.9%*	*6.0%*	*4.3%*	*3.0%*
PER CAPITA PERS INC - 1996 $												
Idaho	21,111	21,146	21,281	21,556	21,551	21,658	21,792	22,229	22,580	22,994	23,109	22,871
% Ch	*10.3%*	*0.7%*	*2.6%*	*5.3%*	*-0.1%*	*2.0%*	*2.5%*	*8.3%*	*6.5%*	*7.5%*	*2.0%*	*-4.1%*
National	26,132	26,385	26,612	26,823	26,930	27,077	27,232	27,522	27,682	27,941	28,114	28,188
% Ch	*6.3%*	*3.9%*	*3.5%*	*3.2%*	*1.6%*	*2.2%*	*2.3%*	*4.3%*	*2.4%*	*3.8%*	*2.5%*	*1.1%*
AVERAGE ANNUAL WAGE												
Idaho	25,536	25,579	25,958	26,238	26,316	26,584	27,125	27,750	28,538	29,192	28,916	29,374
% Ch	*7.6%*	*0.7%*	*6.1%*	*4.4%*	*1.2%*	*4.1%*	*8.4%*	*9.5%*	*11.9%*	*9.5%*	*-3.7%*	*6.5%*
National	32,750	33,095	33,495	33,851	34,156	34,477	34,879	35,189	35,580	35,950	36,421	36,836
% Ch	*5.8%*	*4.3%*	*4.9%*	*4.3%*	*3.6%*	*3.8%*	*4.8%*	*3.6%*	*4.5%*	*4.2%*	*5.3%*	*4.6%*

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IDAHO ECONOMIC FORECAST

QUARTERLY DETAIL

JULY 2001

OUTPUT, INCOME, & WAGES

	2001				2002				2003			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
GROSS DOM. PRODUCT (Billions)												
Current Dollars	10,229.4	10,328.0	10,458.0	10,527.7	10,693.5	10,833.0	10,962.1	11,103.2	11,281.8	11,436.7	11,586.1	11,744.9
% Ch	*4.6%*	*3.9%*	*5.1%*	*2.7%*	*6.4%*	*5.3%*	*4.9%*	*5.2%*	*6.6%*	*5.6%*	*5.3%*	*5.6%*
1996 Chain-Weighted	9,424.5	9,449.4	9,512.0	9,523.4	9,601.6	9,667.4	9,726.5	9,793.7	9,886.2	9,962.1	10,032.9	10,112.1
% Ch	*1.3%*	*1.1%*	*2.7%*	*0.5%*	*3.3%*	*2.8%*	*2.5%*	*2.8%*	*3.8%*	*3.1%*	*2.9%*	*3.2%*
PERSONAL INCOME - CURR $												
Idaho (Millions)	32,075	32,450	32,835	33,081	33,493	33,965	34,463	34,968	35,533	36,113	36,673	37,218
% Ch	*5.2%*	*4.8%*	*4.8%*	*3.0%*	*5.1%*	*5.8%*	*6.0%*	*6.0%*	*6.6%*	*6.7%*	*6.3%*	*6.1%*
Idaho Nonfarm (Millions)	31,083	31,408	31,704	31,962	32,410	32,882	33,344	33,828	34,410	34,980	35,519	36,060
% Ch	*4.9%*	*4.2%*	*3.8%*	*3.3%*	*5.7%*	*6.0%*	*5.7%*	*5.9%*	*7.1%*	*6.8%*	*6.3%*	*6.2%*
National (Billions)	8,555	8,638	8,722	8,791	8,905	9,018	9,130	9,243	9,389	9,522	9,647	9,772
% Ch	*6.1%*	*4.0%*	*3.9%*	*3.2%*	*5.3%*	*5.2%*	*5.1%*	*5.0%*	*6.5%*	*5.8%*	*5.4%*	*5.3%*
PERSONAL INCOME - 1996 $												
Idaho (Millions)	29,435	29,584	29,773	29,869	30,071	30,338	30,624	30,897	31,212	31,546	31,859	32,155
% Ch	*2.0%*	*2.0%*	*2.6%*	*1.3%*	*2.7%*	*3.6%*	*3.8%*	*3.6%*	*4.1%*	*4.4%*	*4.0%*	*3.8%*
Idaho Nonfarm (Millions)	28,524	28,634	28,747	28,859	29,099	29,371	29,630	29,889	30,226	30,557	30,857	31,155
% Ch	*1.7%*	*1.6%*	*1.6%*	*1.6%*	*3.4%*	*3.8%*	*3.6%*	*3.6%*	*4.6%*	*4.4%*	*4.0%*	*3.9%*
National (Billions)	7,851	7,876	7,908	7,938	7,996	8,055	8,113	8,167	8,247	8,318	8,381	8,442
% Ch	*2.8%*	*1.2%*	*1.7%*	*1.5%*	*3.0%*	*3.0%*	*2.9%*	*2.7%*	*4.0%*	*3.5%*	*3.1%*	*3.0%*
PER CAPITA PERS INC - CURR $												
Idaho	24,943	25,148	25,361	25,470	25,715	26,004	26,308	26,613	26,956	27,307	27,643	27,968
% Ch	*3.5%*	*3.3%*	*3.4%*	*1.7%*	*3.9%*	*4.6%*	*4.8%*	*4.7%*	*5.3%*	*5.3%*	*5.0%*	*4.8%*
National	30,857	31,088	31,318	31,495	31,834	32,165	32,492	32,821	33,265	33,661	34,030	34,395
% Ch	*5.1%*	*3.0%*	*3.0%*	*2.3%*	*4.4%*	*4.2%*	*4.1%*	*4.1%*	*5.5%*	*4.9%*	*4.5%*	*4.4%*
PER CAPITA PERS INC - 1996 $												
Idaho	22,889	22,927	22,995	22,997	23,088	23,227	23,378	23,514	23,679	23,854	24,015	24,163
% Ch	*0.3%*	*0.7%*	*1.2%*	*0.0%*	*1.6%*	*2.4%*	*2.6%*	*2.3%*	*2.8%*	*3.0%*	*2.7%*	*2.5%*
National	28,319	28,343	28,397	28,438	28,583	28,731	28,873	29,001	29,221	29,405	29,564	29,717
% Ch	*1.9%*	*0.3%*	*0.8%*	*0.6%*	*2.0%*	*2.1%*	*2.0%*	*1.8%*	*3.1%*	*2.5%*	*2.2%*	*2.1%*
AVERAGE ANNUAL WAGE												
Idaho	29,655	30,009	30,352	30,661	31,029	31,383	31,714	32,046	32,391	32,742	33,088	33,440
% Ch	*3.9%*	*4.9%*	*4.7%*	*4.1%*	*4.9%*	*4.6%*	*4.3%*	*4.2%*	*4.4%*	*4.4%*	*4.3%*	*4.3%*
National	37,350	37,880	38,331	38,742	39,207	39,652	40,064	40,488	40,966	41,406	41,871	42,325
% Ch	*5.7%*	*5.8%*	*4.8%*	*4.4%*	*4.9%*	*4.6%*	*4.2%*	*4.3%*	*4.8%*	*4.4%*	*4.6%*	*4.4%*

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IDAHO ECONOMIC FORECAST

QUARTERLY DETAIL

JULY 2001

PERSONAL INCOME -- CURR $$

	1998				1999				2000			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
WAGE AND SALARY PAYMENTS												
Idaho (Millions)	13,687	13,794	14,072	14,337	14,507	14,768	15,192	15,652	16,261	16,820	16,787	17,106
% Ch	*9.4%*	*3.2%*	*8.3%*	*7.7%*	*4.8%*	*7.4%*	*12.0%*	*12.7%*	*16.5%*	*14.5%*	*-0.8%*	*7.8%*
National (Billions)	4,085	4,153	4,226	4,298	4,364	4,430	4,507	4,578	4,660	4,740	4,805	4,872
% Ch	*8.5%*	*6.9%*	*7.2%*	*7.0%*	*6.3%*	*6.2%*	*7.1%*	*6.5%*	*7.4%*	*7.0%*	*5.6%*	*5.7%*
FARM PROPRIETORS INCOME												
Idaho (Millions)	552	509	468	697	598	663	523	661	685	762	1,045	598
% Ch	*497.9%*	*-27.7%*	*-28.5%*	*392.0%*	*-45.8%*	*51.1%*	*-61.3%*	*155.2%*	*15.3%*	*53.1%*	*253.7%*	*-89.3%*
National (Billions)	25	23	21	32	25	29	16	32	19	21	32	18
% Ch	*-41.0%*	*-28.6%*	*-31.3%*	*423.6%*	*-63.1%*	*82.2%*	*-91.8%*	*1632.0%*	*-86.8%*	*58.6%*	*375.7%*	*-89.6%*
NONFARM PROPRIETORS INCOME												
Idaho (Millions)	2,539	2,571	2,619	2,675	2,747	2,798	2,842	2,884	2,939	2,981	2,971	2,974
% Ch	*15.0%*	*5.1%*	*7.7%*	*8.8%*	*11.2%*	*7.6%*	*6.4%*	*6.0%*	*7.8%*	*5.8%*	*-1.3%*	*0.4%*
National (Billions)	581	590	598	612	619	631	644	658	675	688	693	695
% Ch	*12.7%*	*6.4%*	*5.8%*	*9.2%*	*5.0%*	*8.2%*	*8.4%*	*8.8%*	*10.7%*	*8.1%*	*2.9%*	*1.2%*
DIVIDENDS, RENT & INTEREST												
Idaho (Millions)	5,271	5,361	5,412	5,402	5,389	5,426	5,499	5,678	5,733	5,821	5,936	5,947
% Ch	*5.8%*	*7.0%*	*3.9%*	*-0.7%*	*-1.0%*	*2.8%*	*5.5%*	*13.7%*	*3.9%*	*6.3%*	*8.1%*	*0.7%*
National (Billions)	1,393	1,423	1,444	1,449	1,451	1,464	1,480	1,515	1,544	1,565	1,581	1,594
% Ch	*7.3%*	*8.9%*	*6.2%*	*1.4%*	*0.4%*	*3.6%*	*4.4%*	*10.0%*	*7.8%*	*5.5%*	*4.1%*	*3.5%*
OTHER LABOR INCOME												
Idaho (Millions)	1,701	1,712	1,733	1,743	1,775	1,780	1,795	1,834	1,896	1,933	1,940	1,968
% Ch	*9.5%*	*2.6%*	*5.0%*	*2.3%*	*7.5%*	*1.1%*	*3.4%*	*9.0%*	*14.2%*	*8.0%*	*1.5%*	*5.9%*
National (Billions)	480	484	487	491	495	499	503	507	514	520	528	534
% Ch	*7.0%*	*3.2%*	*3.1%*	*2.8%*	*3.5%*	*2.9%*	*3.4%*	*3.7%*	*5.3%*	*5.1%*	*5.6%*	*5.0%*
GOVT. TRANSFERS TO INDIV.												
Idaho (Millions)	3,500	3,524	3,552	3,572	3,632	3,655	3,685	3,714	3,810	3,896	3,938	3,983
% Ch	*8.5%*	*2.8%*	*3.2%*	*2.3%*	*6.9%*	*2.6%*	*3.3%*	*3.2%*	*10.7%*	*9.3%*	*4.4%*	*4.6%*
National (Billions)	977	980	986	989	1,005	1,012	1,020	1,027	1,047	1,066	1,074	1,084
% Ch	*4.3%*	*1.3%*	*2.3%*	*1.2%*	*6.7%*	*2.9%*	*3.2%*	*2.8%*	*7.8%*	*7.6%*	*3.1%*	*3.7%*
CONTRIB. FOR SOCIAL INSUR.												
Idaho (Millions)	1,082	1,086	1,104	1,122	1,151	1,172	1,201	1,229	1,277	1,311	1,301	1,321
% Ch	*8.6%*	*1.5%*	*6.8%*	*6.7%*	*10.7%*	*7.5%*	*10.3%*	*9.7%*	*16.6%*	*11.1%*	*-3.0%*	*6.3%*
National (Billions)	310	314	318	322	331	336	341	346	353	359	363	368
% Ch	*7.6%*	*4.8%*	*5.4%*	*5.5%*	*11.2%*	*5.7%*	*6.4%*	*5.8%*	*9.0%*	*6.3%*	*4.9%*	*5.0%*
RESIDENCE ADJUSTMENT												
Idaho (Millions)	322	330	336	340	379	379	396	408	407	402	407	414
% Ch	*27.5%*	*10.3%*	*7.5%*	*4.8%*	*54.4%*	*0.0%*	*19.2%*	*12.7%*	*-1.0%*	*-4.8%*	*5.1%*	*7.1%*

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IDAHO ECONOMIC FORECAST

QUARTERLY DETAIL

JULY 2001

PERSONAL INCOME -- CURR $$

	2001				2002				2003			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
WAGE AND SALARY PAYMENTS												
Idaho (Millions)	17,327	17,583	17,838	18,062	18,328	18,597	18,880	19,179	19,489	19,810	20,135	20,465
% Ch	*5.3%*	*6.0%*	*5.9%*	*5.1%*	*6.0%*	*6.0%*	*6.2%*	*6.5%*	*6.6%*	*6.8%*	*6.7%*	*6.7%*
National (Billions)	4,951	5,019	5,088	5,150	5,223	5,288	5,356	5,425	5,505	5,579	5,654	5,731
% Ch	*6.7%*	*5.6%*	*5.7%*	*4.9%*	*5.7%*	*5.1%*	*5.3%*	*5.3%*	*6.0%*	*5.5%*	*5.5%*	*5.5%*
FARM PROPRIETORS INCOME												
Idaho (Millions)	613	655	740	729	692	692	725	740	718	724	740	740
% Ch	*10.2%*	*30.2%*	*63.4%*	*-5.7%*	*-18.8%*	*0.0%*	*20.5%*	*8.3%*	*-11.2%*	*3.3%*	*9.1%*	*0.1%*
National (Billions)	21	19	22	21	21	21	22	22	22	22	23	23
% Ch	*84.0%*	*-30.7%*	*69.5%*	*-6.1%*	*-14.8%*	*0.0%*	*22.0%*	*8.8%*	*-0.8%*	*3.5%*	*9.7%*	*0.1%*
NONFARM PROPRIETORS INCOME												
Idaho (Millions)	3,012	3,043	3,109	3,151	3,227	3,296	3,358	3,420	3,493	3,549	3,595	3,643
% Ch	*5.2%*	*4.1%*	*9.1%*	*5.4%*	*10.1%*	*8.8%*	*7.8%*	*7.6%*	*8.8%*	*6.5%*	*5.3%*	*5.5%*
National (Billions)	704	711	726	735	753	768	783	797	813	826	836	847
% Ch	*5.0%*	*4.0%*	*8.8%*	*5.3%*	*9.8%*	*8.5%*	*7.6%*	*7.4%*	*8.6%*	*6.4%*	*5.2%*	*5.4%*
DIVIDENDS, RENT & INTEREST												
Idaho (Millions)	5,985	5,958	5,879	5,830	5,811	5,868	5,910	5,954	6,028	6,140	6,224	6,301
% Ch	*2.6%*	*-1.8%*	*-5.2%*	*-3.3%*	*-1.3%*	*4.0%*	*2.9%*	*3.1%*	*5.0%*	*7.6%*	*5.6%*	*5.0%*
National (Billions)	1,600	1,593	1,577	1,568	1,562	1,576	1,586	1,597	1,614	1,640	1,659	1,677
% Ch	*1.4%*	*-1.5%*	*-4.0%*	*-2.3%*	*-1.4%*	*3.6%*	*2.5%*	*2.7%*	*4.4%*	*6.8%*	*4.7%*	*4.2%*
OTHER LABOR INCOME												
Idaho (Millions)	1,989	2,016	2,038	2,034	2,060	2,087	2,117	2,147	2,176	2,210	2,242	2,276
% Ch	*4.3%*	*5.7%*	*4.4%*	*-0.8%*	*5.3%*	*5.3%*	*5.8%*	*5.9%*	*5.5%*	*6.3%*	*5.9%*	*6.3%*
National (Billions)	541	548	553	552	558	564	571	577	584	590	597	604
% Ch	*5.5%*	*5.0%*	*4.0%*	*-1.0%*	*4.9%*	*4.2%*	*4.6%*	*4.5%*	*4.7%*	*4.8%*	*4.5%*	*4.9%*
GOVT. TRANSFERS TO INDIV.												
Idaho (Millions)	4,079	4,129	4,174	4,226	4,335	4,396	4,456	4,522	4,634	4,698	4,769	4,835
% Ch	*10.0%*	*5.1%*	*4.4%*	*5.0%*	*10.8%*	*5.7%*	*5.6%*	*6.1%*	*10.3%*	*5.7%*	*6.1%*	*5.7%*
National (Billions)	1,115	1,128	1,140	1,153	1,182	1,198	1,215	1,231	1,262	1,279	1,297	1,315
% Ch	*12.0%*	*4.8%*	*4.0%*	*4.6%*	*10.5%*	*5.7%*	*5.7%*	*5.5%*	*10.4%*	*5.4%*	*5.9%*	*5.5%*
CONTRIB. FOR SOCIAL INSUR.												
Idaho (Millions)	1,351	1,362	1,379	1,394	1,411	1,429	1,448	1,468	1,489	1,510	1,531	1,553
% Ch	*9.3%*	*3.5%*	*5.1%*	*4.3%*	*5.2%*	*5.1%*	*5.4%*	*5.6%*	*5.8%*	*5.9%*	*5.8%*	*5.8%*
National (Billions)	377	380	384	388	393	397	401	406	411	415	420	425
% Ch	*10.8%*	*3.0%*	*4.8%*	*4.1%*	*4.9%*	*4.2%*	*4.4%*	*4.4%*	*5.1%*	*4.6%*	*4.6%*	*4.7%*
RESIDENCE ADJUSTMENT												
Idaho (Millions)	420	428	435	441	449	457	465	473	482	491	501	510
% Ch	*6.3%*	*7.1%*	*7.0%*	*6.0%*	*7.1%*	*7.0%*	*7.3%*	*7.6%*	*7.7%*	*7.8%*	*7.8%*	*7.8%*

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IDAHO ECONOMIC FORECAST

QUARTERLY DETAIL

JULY 2001

EMPLOYMENT

	1998				1999				2000			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
TOTAL NONFARM EMPLOYMENT												
Idaho	516,336	519,641	522,722	527,413	532,149	536,639	541,562	546,063	552,029	558,547	562,281	564,112
% Ch	*1.8%*	*2.6%*	*2.4%*	*3.6%*	*3.6%*	*3.4%*	*3.7%*	*3.4%*	*4.4%*	*4.8%*	*2.7%*	*1.3%*
National (Thousands)	124,730	125,499	126,175	126,974	127,775	128,503	129,217	130,107	130,984	131,854	131,927	132,264
% Ch	*2.5%*	*2.5%*	*2.2%*	*2.6%*	*2.5%*	*2.3%*	*2.2%*	*2.8%*	*2.7%*	*2.7%*	*0.2%*	*1.0%*
GOODS PRODUCING SECTOR												
Idaho	110,997	111,316	111,369	111,303	112,626	113,030	114,038	114,551	116,049	116,105	115,783	116,341
% Ch	*-2.0%*	*1.2%*	*0.2%*	*-0.2%*	*4.8%*	*1.4%*	*3.6%*	*1.8%*	*5.3%*	*0.2%*	*-1.1%*	*1.9%*
National (Thousands)	25,338	25,426	25,416	25,474	25,475	25,480	25,505	25,568	25,704	25,711	25,732	25,704
% Ch	*2.4%*	*1.4%*	*-0.1%*	*0.9%*	*0.0%*	*0.1%*	*0.4%*	*1.0%*	*2.1%*	*0.1%*	*0.3%*	*-0.4%*
MANUFACTURING												
Idaho	76,127	76,414	76,155	75,783	75,755	75,970	76,454	76,333	76,768	77,205	77,038	77,758
% Ch	*3.1%*	*1.5%*	*-1.3%*	*-1.9%*	*-0.1%*	*1.1%*	*2.6%*	*-0.6%*	*2.3%*	*2.3%*	*-0.9%*	*3.8%*
National (Thousands)	18,875	18,872	18,763	18,711	18,637	18,562	18,525	18,496	18,504	18,510	18,487	18,378
% Ch	*1.6%*	*0.0%*	*-2.3%*	*-1.1%*	*-1.6%*	*-1.6%*	*-0.8%*	*-0.6%*	*0.2%*	*0.1%*	*-0.5%*	*-2.3%*
DURABLE MANUFACTURING												
Idaho	47,236	47,450	47,120	46,888	46,625	47,021	47,445	47,465	47,744	47,936	47,802	48,271
% Ch	*4.2%*	*1.8%*	*-2.7%*	*-2.0%*	*-2.2%*	*3.4%*	*3.7%*	*0.2%*	*2.4%*	*1.6%*	*-1.1%*	*4.0%*
National (Thousands)	11,229	11,248	11,177	11,171	11,134	11,112	11,109	11,093	11,121	11,147	11,169	11,116
% Ch	*3.0%*	*0.7%*	*-2.5%*	*-0.2%*	*-1.3%*	*-0.8%*	*-0.1%*	*-0.6%*	*1.0%*	*1.0%*	*0.8%*	*-1.9%*
LUMBER & WOOD PRODUCTS												
Idaho	13,722	13,883	13,679	13,649	13,521	13,403	13,422	13,263	13,196	13,101	12,325	11,885
% Ch	*-13.3%*	*4.8%*	*-5.8%*	*-0.9%*	*-3.7%*	*-3.4%*	*0.6%*	*-4.6%*	*-2.0%*	*-2.9%*	*-21.7%*	*-13.5%*
National (Thousands	808	812	813	820	829	832	836	840	842	838	831	816
% Ch	*2.9%*	*2.2%*	*0.5%*	*3.5%*	*4.5%*	*1.5%*	*1.9%*	*1.9%*	*0.8%*	*-1.7%*	*-3.5%*	*-6.9%*
STONE, CLAY, GLASS, etc.												
Idaho	4,298	4,293	4,347	4,402	4,481	4,548	4,551	4,536	4,517	4,464	4,490	4,466
% Ch	*-10.5%*	*-0.5%*	*5.2%*	*5.2%*	*7.4%*	*6.1%*	*0.2%*	*-1.3%*	*-1.7%*	*-4.6%*	*2.3%*	*-2.1%*
National (Thousands	2,067	2,072	2,070	2,076	2,081	2,081	2,092	2,097	2,109	2,119	2,122	2,113
% Ch	*3.2%*	*0.9%*	*-0.4%*	*1.3%*	*1.0%*	*0.0%*	*2.1%*	*1.0%*	*2.4%*	*1.8%*	*0.7%*	*-1.7%*
ELEC & NONELEC MACH												
Idaho	23,560	23,537	23,187	22,946	22,669	23,045	23,373	23,513	23,833	24,071	24,903	25,871
% Ch	*17.1%*	*-0.4%*	*-5.8%*	*-4.1%*	*-4.7%*	*6.8%*	*5.8%*	*2.4%*	*5.6%*	*4.1%*	*14.6%*	*16.5%*
National (Thousands	3,942	3,940	3,908	3,864	3,823	3,818	3,799	3,792	3,805	3,826	3,867	3,859
% Ch	*3.2%*	*-0.2%*	*-3.3%*	*-4.4%*	*-4.1%*	*-0.6%*	*-2.0%*	*-0.7%*	*1.3%*	*2.2%*	*4.4%*	*-0.9%*
OTHER DURABLES												
Idaho	5,656	5,737	5,907	5,891	5,954	6,025	6,099	6,152	6,198	6,301	6,084	6,049
% Ch	*14.7%*	*5.9%*	*12.4%*	*-1.1%*	*4.3%*	*4.9%*	*5.0%*	*3.5%*	*3.0%*	*6.8%*	*-13.1%*	*-2.3%*
National (Thousands	4,411	4,424	4,387	4,411	4,400	4,380	4,382	4,363	4,365	4,365	4,349	4,327
% Ch	2.9%	1.2%	-3.3%	2.2%	-0.9%	-1.8%	0.2%	-1.7%	0.1%	0.0%	-1.5%	-1.9%

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EMPLOYMENT

	2001				2002				2003			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
TOTAL NONFARM EMPLOYMENT												
Idaho	565,569	567,088	568,949	570,539	572,158	574,257	576,979	580,110	583,207	586,605	590,087	593,643
% Ch	*1.0%*	*1.1%*	*1.3%*	*1.1%*	*1.1%*	*1.5%*	*1.9%*	*2.2%*	*2.2%*	*2.4%*	*2.4%*	*2.4%*
National (Thousands)	132,559	132,486	132,748	132,933	133,204	133,353	133,681	133,995	134,374	134,737	135,031	135,393
% Ch	*0.9%*	*-0.2%*	*0.8%*	*0.6%*	*0.8%*	*0.4%*	*1.0%*	*0.9%*	*1.1%*	*1.1%*	*0.9%*	*1.1%*
GOODS PRODUCING SECTOR												
Idaho	116,222	115,950	115,993	116,144	116,232	116,389	116,711	117,139	117,584	118,137	118,637	119,101
% Ch	*-0.4%*	*-0.9%*	*0.2%*	*0.5%*	*0.3%*	*0.5%*	*1.1%*	*1.5%*	*1.5%*	*1.9%*	*1.7%*	*1.6%*
National (Thousands)	25,621	25,323	25,060	24,813	24,673	24,558	24,527	24,494	24,485	24,475	24,475	24,475
% Ch	*-1.3%*	*-4.6%*	*-4.1%*	*-3.9%*	*-2.2%*	*-1.9%*	*-0.5%*	*-0.5%*	*-0.2%*	*-0.2%*	*0.0%*	*0.0%*
MANUFACTURING												
Idaho	77,531	77,123	77,264	77,443	78,037	78,615	79,125	79,677	80,274	80,877	81,433	81,953
% Ch	*-1.2%*	*-2.1%*	*0.7%*	*0.9%*	*3.1%*	*3.0%*	*2.6%*	*2.8%*	*3.0%*	*3.0%*	*2.8%*	*2.6%*
National (Thousands)	18,188	17,884	17,602	17,408	17,267	17,208	17,210	17,208	17,215	17,236	17,247	17,248
% Ch	*-4.1%*	*-6.5%*	*-6.2%*	*-4.3%*	*-3.2%*	*-1.4%*	*0.1%*	*-0.1%*	*0.2%*	*0.5%*	*0.3%*	*0.0%*
DURABLE MANUFACTURING												
Idaho	48,128	47,775	47,945	48,110	48,542	48,942	49,263	49,671	50,093	50,560	50,995	51,397
% Ch	*-1.2%*	*-2.9%*	*1.4%*	*1.4%*	*3.6%*	*3.3%*	*2.7%*	*3.4%*	*3.4%*	*3.8%*	*3.5%*	*3.2%*
National (Thousands)	10,990	10,774	10,536	10,376	10,246	10,187	10,188	10,199	10,220	10,258	10,295	10,323
% Ch	*-4.5%*	*-7.6%*	*-8.5%*	*-5.9%*	*-4.9%*	*-2.3%*	*0.1%*	*0.4%*	*0.8%*	*1.5%*	*1.4%*	*1.1%*
LUMBER & WOOD PRODUCTS												
Idaho	11,753	11,554	11,522	11,397	11,154	10,943	10,776	10,687	10,610	10,544	10,488	10,418
% Ch	*-4.4%*	*-6.6%*	*-1.1%*	*-4.3%*	*-8.2%*	*-7.4%*	*-6.0%*	*-3.3%*	*-2.8%*	*-2.5%*	*-2.1%*	*-2.7%*
National (Thousands)	801	797	808	811	806	797	799	804	809	815	821	826
% Ch	*-7.1%*	*-2.3%*	*5.6%*	*1.5%*	*-2.2%*	*-4.4%*	*1.0%*	*2.3%*	*2.6%*	*3.1%*	*2.9%*	*2.7%*
STONE, CLAY, GLASS, etc.												
Idaho	4,473	4,429	4,403	4,388	4,361	4,309	4,269	4,250	4,235	4,223	4,218	4,215
% Ch	*0.6%*	*-3.8%*	*-2.4%*	*-1.3%*	*-2.4%*	*-4.7%*	*-3.7%*	*-1.8%*	*-1.4%*	*-1.2%*	*-0.4%*	*-0.3%*
National (Thousands)	2,095	2,065	2,041	2,021	1,996	1,973	1,961	1,950	1,936	1,924	1,915	1,907
% Ch	*-3.5%*	*-5.6%*	*-4.5%*	*-3.8%*	*-5.0%*	*-4.4%*	*-2.5%*	*-2.1%*	*-3.0%*	*-2.3%*	*-1.8%*	*-1.7%*
ELEC & NONELEC MACH												
Idaho	25,907	25,763	25,921	26,142	26,677	27,175	27,590	27,980	28,420	28,830	29,230	29,673
% Ch	*0.6%*	*-2.2%*	*2.5%*	*3.5%*	*8.5%*	*7.7%*	*6.3%*	*5.8%*	*6.5%*	*5.9%*	*5.7%*	*6.2%*
National (Thousands)	3,827	3,705	3,541	3,445	3,394	3,385	3,405	3,414	3,438	3,464	3,496	3,533
% Ch	*-3.2%*	*-12.2%*	*-16.5%*	*-10.4%*	*-5.8%*	*-1.1%*	*2.4%*	*1.1%*	*2.9%*	*3.0%*	*3.8%*	*4.3%*
OTHER DURABLES												
Idaho	5,995	6,029	6,099	6,184	6,349	6,515	6,627	6,754	6,827	6,963	7,058	7,091
% Ch	*-3.5%*	*2.3%*	*4.8%*	*5.7%*	*11.1%*	*10.8%*	*7.1%*	*7.9%*	*4.3%*	*8.2%*	*5.6%*	*1.9%*
National (Thousands)	4,266	4,208	4,146	4,099	4,050	4,032	4,024	4,031	4,038	4,055	4,062	4,056
% Ch	-5.5%	-5.4%	-5.7%	-4.5%	-4.7%	-1.8%	-0.8%	0.7%	0.6%	1.8%	0.7%	-0.6%

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QUARTERLY DETAIL

JULY 2001

EMPLOYMENT

	1998				1999				2000			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
MANUFACTURING (continued)												
NONDURABLE MANUFACTURING												
Idaho	28,891	28,964	29,035	28,895	29,130	28,949	29,009	28,868	29,024	29,269	29,237	29,487
% Ch	*1.4%*	*1.0%*	*1.0%*	*-1.9%*	*3.3%*	*-2.5%*	*0.8%*	*-1.9%*	*2.2%*	*3.4%*	*-0.4%*	*3.5%*
National (Thousands)	7,646	7,624	7,585	7,540	7,503	7,450	7,416	7,403	7,383	7,363	7,317	7,262
% Ch	*-0.5%*	*-1.1%*	*-2.0%*	*-2.4%*	*-1.9%*	*-2.8%*	*-1.8%*	*-0.7%*	*-1.1%*	*-1.1%*	*-2.5%*	*-3.0%*
FOOD PROCESSING												
Idaho	17,223	17,304	17,404	17,218	17,462	17,283	17,284	17,134	17,152	17,327	17,290	17,240
% Ch	*-1.9%*	*1.9%*	*2.3%*	*-4.2%*	*5.8%*	*-4.0%*	*0.0%*	*-3.4%*	*0.4%*	*4.1%*	*-0.9%*	*-1.1%*
National (Thousands	*1,682*	*1,684*	*1,684*	*1,683*	*1,684*	*1,680*	*1,676*	*1,693*	*1,691*	*1,689*	*1,680*	*1,680*
% Ch	*-0.6%*	*0.6%*	*-0.2%*	*-0.1%*	*0.1%*	*-0.9%*	*-0.8%*	*4.0%*	*-0.5%*	*-0.4%*	*-2.3%*	*0.0%*
CANNED, CURED, & FROZEN												
Idaho	9,941	10,061	10,097	9,881	10,091	9,926	10,015	9,799	9,727	9,811	9,847	9,690
% Ch	*-8.8%*	*4.9%*	*1.4%*	*-8.3%*	*8.7%*	*-6.4%*	*3.6%*	*-8.3%*	*-2.9%*	*3.5%*	*1.5%*	*-6.2%*
OTHER FOOD PROCESSING												
Idaho	7,282	7,243	7,308	7,336	7,372	7,357	7,269	7,335	7,425	7,515	7,443	7,549
% Ch	*8.5%*	*-2.1%*	*3.6%*	*1.6%*	*1.9%*	*-0.8%*	*-4.7%*	*3.7%*	*5.0%*	*5.0%*	*-3.8%*	*5.9%*
PAPER, PRINTING, PUBLISH.												
Idaho	7,412	7,432	7,443	7,475	7,377	7,376	7,396	7,422	7,544	7,644	7,639	7,724
% Ch	*8.0%*	*1.1%*	*0.6%*	*1.7%*	*-5.1%*	*0.0%*	*1.1%*	*1.4%*	*6.7%*	*5.4%*	*-0.3%*	*4.5%*
National (Thousands	2,245	2,246	2,242	2,234	2,230	2,220	2,218	2,211	2,209	2,208	2,205	2,195
% Ch	*1.1%*	*0.2%*	*-0.8%*	*-1.4%*	*-0.6%*	*-1.8%*	*-0.4%*	*-1.3%*	*-0.4%*	*-0.2%*	*-0.5%*	*-1.9%*
CHEMICALS												
Idaho	2,351	2,377	2,362	2,343	2,337	2,303	2,295	2,270	2,308	2,305	2,311	2,406
% Ch	*15.7%*	*4.5%*	*-2.5%*	*-3.0%*	*-1.1%*	*-5.7%*	*-1.2%*	*-4.3%*	*6.9%*	*-0.6%*	*1.0%*	*17.6%*
National (Thousands	1,040	1,043	1,046	1,042	1,038	1,035	1,033	1,036	1,038	1,038	1,036	1,038
% Ch	*0.4%*	*1.2%*	*0.9%*	*-1.3%*	*-1.7%*	*-1.3%*	*-0.6%*	*1.0%*	*0.9%*	*0.0%*	*-0.6%*	*0.8%*
OTHER NONDURABLES												
Idaho	1,905	1,851	1,826	1,859	1,953	1,987	2,033	2,042	2,020	1,994	1,997	2,117
% Ch	*-7.9%*	*-10.9%*	*-5.3%*	*7.5%*	*21.9%*	*7.0%*	*9.6%*	*1.8%*	*-4.3%*	*-5.0%*	*0.7%*	*26.1%*
National (Thousands	2,679	2,650	2,614	2,580	2,551	2,515	2,488	2,463	2,445	2,428	2,396	2,350
% Ch	*-2.1%*	*-4.2%*	*-5.3%*	*-5.1%*	*-4.5%*	*-5.5%*	*-4.2%*	*-4.0%*	*-2.8%*	*-2.8%*	*-5.1%*	*-7.6%*
MINING												
Idaho	2,939	2,938	2,929	2,806	2,746	2,545	2,526	2,512	2,493	2,459	2,410	2,336
%Ch	*-10.7%*	*-0.2%*	*-1.2%*	*-15.7%*	*-8.3%*	*-26.2%*	*-2.9%*	*-2.2%*	*-3.0%*	*-5.4%*	*-7.6%*	*-11.7%*
National (Thousands)	604	597	586	574	552	538	532	533	535	541	544	549
%Ch	*1.8%*	*-4.8%*	*-6.7%*	*-8.4%*	*-14.1%*	*-10.2%*	*-3.9%*	*0.8%*	*1.0%*	*5.1%*	*2.0%*	*3.7%*
METAL MINING												
Idaho	1,707	1,730	1,708	1,625	1,571	1,417	1,371	1,350	1,336	1,262	1,182	1,113
%Ch	*-10.2%*	*5.5%*	*-5.1%*	*-18.1%*	*-12.6%*	*-33.9%*	*-12.4%*	*-6.0%*	*-4.1%*	*-20.2%*	*-23.1%*	*-21.5%*
OTHER MINING												
Idaho	1,232	1,207	1,221	1,181	1,174	1,128	1,155	1,162	1,157	1,196	1,228	1,223
% Ch	*-11.3%*	*-7.7%*	*4.5%*	*-12.4%*	*-2.3%*	*-14.9%*	*10.0%*	*2.6%*	*-1.7%*	*14.2%*	*11.0%*	*-1.5%*

National Variables Forecast by DRI*WEFA

Forecast Begins the FIRST Quarter of 2001

IDAHO ECONOMIC FORECAST

QUARTERLY DETAIL

JULY 2001

EMPLOYMENT

	2001				2002				2003			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
MANUFACTURING (continued)												
NONDURABLE MANUFACTURING												
Idaho	29,403	29,347	29,319	29,333	29,495	29,673	29,862	30,006	30,182	30,318	30,438	30,556
% Ch	*-1.1%*	*-0.8%*	*-0.4%*	*0.2%*	*2.2%*	*2.4%*	*2.6%*	*1.9%*	*2.4%*	*1.8%*	*1.6%*	*1.6%*
National (Thousands)	7,199	7,110	7,066	7,032	7,021	7,021	7,022	7,009	6,995	6,978	6,952	6,925
% Ch	*-3.5%*	*-4.8%*	*-2.5%*	*-1.9%*	*-0.6%*	*0.0%*	*0.0%*	*-0.7%*	*-0.8%*	*-0.9%*	*-1.5%*	*-1.6%*
FOOD PROCESSING												
Idaho	17,353	17,370	17,445	17,465	17,605	17,675	17,709	17,715	17,746	17,750	17,751	17,754
% Ch	*2.7%*	*0.4%*	*1.8%*	*0.5%*	*3.2%*	*1.6%*	*0.8%*	*0.1%*	*0.7%*	*0.1%*	*0.0%*	*0.1%*
National (Thousands)	*1,686*	*1,683*	*1,670*	*1,669*	*1,665*	*1,662*	*1,664*	*1,659*	*1,652*	*1,646*	*1,640*	*1,634*
% Ch	*1.4%*	*-0.7%*	*-3.0%*	*-0.2%*	*-1.0%*	*-0.8%*	*0.4%*	*-1.1%*	*-1.7%*	*-1.5%*	*-1.4%*	*-1.6%*
CANNED, CURED, & FROZEN												
Idaho	9,763	9,787	9,825	9,852	9,899	9,935	9,965	9,990	10,018	10,042	10,067	10,091
% Ch	*3.0%*	*1.0%*	*1.6%*	*1.1%*	*1.9%*	*1.5%*	*1.2%*	*1.0%*	*1.1%*	*1.0%*	*1.0%*	*1.0%*
OTHER FOOD PROCESSING												
Idaho	7,590	7,583	7,621	7,613	7,706	7,740	7,744	7,725	7,728	7,708	7,685	7,664
% Ch	*2.2%*	*-0.4%*	*2.0%*	*-0.4%*	*5.0%*	*1.8%*	*0.2%*	*-1.0%*	*0.2%*	*-1.0%*	*-1.2%*	*-1.1%*
PAPER, PRINTING, PUBLISH.												
Idaho	7,682	7,641	7,567	7,545	7,512	7,564	7,663	7,747	7,836	7,917	7,989	8,060
% Ch	*-2.1%*	*-2.1%*	*-3.8%*	*-1.2%*	*-1.8%*	*2.8%*	*5.3%*	*4.5%*	*4.7%*	*4.2%*	*3.7%*	*3.6%*
National (Thousands)	2,175	2,145	2,131	2,121	2,110	2,104	2,101	2,097	2,096	2,093	2,091	2,088
% Ch	*-3.5%*	*-5.4%*	*-2.7%*	*-1.8%*	*-2.1%*	*-1.1%*	*-0.6%*	*-0.6%*	*-0.3%*	*-0.5%*	*-0.5%*	*-0.5%*
CHEMICALS												
Idaho	2,325	2,281	2,223	2,230	2,252	2,282	2,317	2,352	2,382	2,410	2,437	2,460
% Ch	*-12.8%*	*-7.4%*	*-9.8%*	*1.1%*	*4.1%*	*5.4%*	*6.2%*	*6.3%*	*5.1%*	*4.9%*	*4.5%*	*3.8%*
National (Thousands)	1,039	1,031	1,024	1,021	1,015	1,011	1,009	1,008	1,007	1,006	1,003	1,001
% Ch	*0.3%*	*-3.0%*	*-2.7%*	*-1.4%*	*-2.2%*	*-1.4%*	*-0.8%*	*-0.5%*	*-0.5%*	*-0.4%*	*-0.9%*	*-0.9%*
OTHER NONDURABLES												
Idaho	2,042	2,056	2,083	2,093	2,127	2,152	2,173	2,192	2,218	2,240	2,261	2,281
% Ch	*-13.4%*	*2.7%*	*5.5%*	*1.8%*	*6.7%*	*4.9%*	*4.0%*	*3.5%*	*4.9%*	*3.9%*	*3.9%*	*3.6%*
National (Thousands)	2,299	2,251	2,241	2,221	2,230	2,244	2,248	2,244	2,240	2,233	2,218	2,203
% Ch	*-8.4%*	*-8.0%*	*-1.8%*	*-3.5%*	*1.7%*	*2.4%*	*0.8%*	*-0.7%*	*-0.8%*	*-1.2%*	*-2.7%*	*-2.8%*
MINING												
Idaho	2,229	2,191	2,064	1,967	1,769	1,698	1,695	1,731	1,691	1,691	1,697	1,687
%Ch	*-17.1%*	*-6.7%*	*-21.3%*	*-17.5%*	*-34.7%*	*-15.0%*	*-0.8%*	*8.9%*	*-9.0%*	*0.0%*	*1.4%*	*-2.2%*
National (Thousands)	554	564	560	547	523	508	502	498	493	487	481	474
%Ch	*3.7%*	*7.4%*	*-3.0%*	*-8.8%*	*-16.2%*	*-11.1%*	*-4.8%*	*-3.1%*	*-4.0%*	*-4.5%*	*-4.8%*	*-5.9%*
METAL MINING												
Idaho	1,107	1,105	1,061	1,011	886	850	868	912	875	879	888	883
%Ch	*-2.1%*	*-0.8%*	*-15.1%*	*-17.5%*	*-41.0%*	*-15.0%*	*8.4%*	*21.7%*	*-15.2%*	*2.2%*	*3.8%*	*-1.9%*
OTHER MINING												
Idaho	1,122	1,086	1,003	957	883	848	827	820	816	812	809	804
% Ch	*-29.2%*	*-12.2%*	*-27.2%*	*-17.4%*	*-27.5%*	*-15.0%*	*-9.4%*	*-3.4%*	*-1.7%*	*-2.2%*	*-1.2%*	*-2.6%*

National Variables Forecast by DRI*WEFA

Forecast Begins the FIRST Quarter of 2001

IDAHO ECONOMIC FORECAST

QUARTERLY DETAIL

JULY 2001

EMPLOYMENT

	1998				1999				2000			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
GOODS PRODUCING (continued)												
CONSTRUCTION												
Idaho	31,930	31,964	32,285	32,714	34,125	34,515	35,058	35,706	36,789	36,441	36,334	36,246
% Ch	*-12.4%*	*0.4%*	*4.1%*	*5.4%*	*18.4%*	*4.6%*	*6.4%*	*7.6%*	*12.7%*	*-3.7%*	*-1.2%*	*-1.0%*
National (Thousands)	5,860	5,957	6,067	6,189	6,286	6,381	6,448	6,539	6,665	6,659	6,702	6,777
% Ch	*5.2%*	*6.8%*	*7.6%*	*8.3%*	*6.4%*	*6.2%*	*4.2%*	*5.8%*	*7.9%*	*-0.4%*	*2.6%*	*4.6%*
SERVICE PRODUCING SECTOR												
Idaho	405,340	408,326	411,353	416,110	419,523	423,609	427,524	431,512	435,980	442,442	446,498	447,772
% Ch	*2.9%*	*3.0%*	*3.0%*	*4.7%*	*3.3%*	*4.0%*	*3.7%*	*3.8%*	*4.2%*	*6.1%*	*3.7%*	*1.1%*
National (Thousands)	99,392	100,073	100,759	101,500	102,300	103,022	103,713	104,539	105,280	106,143	106,195	106,560
% Ch	*2.5%*	*2.8%*	*2.8%*	*3.0%*	*3.2%*	*2.9%*	*2.7%*	*3.2%*	*2.9%*	*3.3%*	*0.2%*	*1.4%*
FINANCE, INSUR, REAL ESTATE												
Idaho	22,653	22,803	22,987	23,264	23,713	23,690	23,452	23,387	23,648	23,609	23,401	23,331
% Ch	*-39.1%*	*2.7%*	*3.3%*	*4.9%*	*7.9%*	*-0.4%*	*-3.9%*	*-1.1%*	*4.5%*	*-0.7%*	*-3.5%*	*-1.2%*
National (Thousands)	7,281	7,363	7,425	7,480	7,520	7,552	7,572	7,576	7,572	7,550	7,547	7,575
% Ch	*4.1%*	*4.6%*	*3.4%*	*3.0%*	*2.2%*	*1.7%*	*1.0%*	*0.2%*	*-0.2%*	*-1.2%*	*-0.1%*	*1.5%*
TRANS, COMMUN, PUBLIC UTIL												
Idaho	24,943	25,349	25,717	25,970	26,416	26,779	26,900	27,485	27,759	28,006	28,171	27,837
% Ch	*5.7%*	*6.7%*	*5.9%*	*4.0%*	*7.0%*	*5.6%*	*1.8%*	*9.0%*	*4.1%*	*3.6%*	*2.4%*	*-4.7%*
National (Thousands)	6,525	6,583	6,638	6,695	6,755	6,805	6,860	6,915	6,964	7,003	7,020	7,092
% Ch	*2.8%*	*3.6%*	*3.4%*	*3.5%*	*3.6%*	*3.0%*	*3.2%*	*3.2%*	*2.9%*	*2.2%*	*1.0%*	*4.2%*
TRADE												
Idaho	131,250	132,376	133,147	133,614	134,693	135,825	136,225	138,215	139,100	140,264	142,530	142,396
% Ch	*5.0%*	*3.5%*	*2.4%*	*1.4%*	*3.3%*	*3.4%*	*1.2%*	*6.0%*	*2.6%*	*3.4%*	*6.6%*	*-0.4%*
National (Thousands)	28,909	29,025	29,160	29,292	29,505	29,683	29,830	30,024	30,183	30,295	30,380	30,459
% Ch	*1.3%*	*1.6%*	*1.9%*	*1.8%*	*2.9%*	*2.4%*	*2.0%*	*2.6%*	*2.1%*	*1.5%*	*1.1%*	*1.1%*
SERVICES												
Idaho	126,896	127,881	128,810	131,412	132,674	134,488	137,088	138,716	140,958	143,911	146,314	148,816
% Ch	*4.2%*	*3.1%*	*2.9%*	*8.3%*	*3.9%*	*5.6%*	*8.0%*	*4.8%*	*6.6%*	*8.6%*	*6.8%*	*7.0%*
National (Thousands)	37,000	37,343	37,686	38,074	38,465	38,854	39,213	39,661	40,033	40,359	40,615	40,838
% Ch	*4.1%*	*3.8%*	*3.7%*	*4.2%*	*4.2%*	*4.1%*	*3.7%*	*4.7%*	*3.8%*	*3.3%*	*2.6%*	*2.2%*
STATE & LOCAL GOVERNMENT												
Idaho	86,651	87,239	87,898	89,052	89,298	90,197	90,924	90,644	91,256	92,216	92,917	92,544
% Ch	*15.6%*	*2.7%*	*3.1%*	*5.4%*	*1.1%*	*4.1%*	*3.3%*	*-1.2%*	*2.7%*	*4.3%*	*3.1%*	*-1.6%*
National (Thousands)	17,003	17,086	17,166	17,247	17,351	17,457	17,586	17,717	17,803	17,861	17,935	17,977
% Ch	*1.2%*	*2.0%*	*1.9%*	*1.9%*	*2.4%*	*2.5%*	*3.0%*	*3.0%*	*2.0%*	*1.3%*	*1.7%*	*0.9%*
Idaho Education	47,311	47,629	47,944	48,647	48,601	49,385	49,943	49,618	50,079	50,567	51,066	50,662
% Ch	*29.4%*	*2.7%*	*2.7%*	*6.0%*	*-0.4%*	*6.6%*	*4.6%*	*-2.6%*	*3.8%*	*4.0%*	*4.0%*	*-3.1%*
Idaho Other	39,340	39,610	39,955	40,405	40,697	40,812	40,981	41,026	41,177	41,649	41,852	41,882
% Ch	*1.4%*	*2.8%*	*3.5%*	*4.6%*	*2.9%*	*1.1%*	*1.7%*	*0.4%*	*1.5%*	*4.7%*	*2.0%*	*0.3%*
FEDERAL GOVERNMENT												
Idaho	12,947	12,678	12,794	12,798	12,729	12,629	12,934	13,065	13,259	14,436	13,165	12,848
% Ch	*-13.3%*	*-8.1%*	*3.7%*	*0.1%*	*-2.1%*	*-3.1%*	*10.0%*	*4.1%*	*6.1%*	*40.5%*	*-30.8%*	*-9.3%*
National (Thousands)	2,673	2,673	2,683	2,712	2,704	2,670	2,652	2,646	2,725	3,076	2,699	2,618
% Ch	*-1.8%*	*0.0%*	*1.6%*	*4.3%*	*-1.1%*	*-5.0%*	*-2.6%*	*-0.9%*	*12.5%*	*62.2%*	*-40.7%*	*-11.4%*

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IDAHO ECONOMIC FORECAST

QUARTERLY DETAIL

JULY 2001

EMPLOYMENT

	2001				2002				2003			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
GOODS PRODUCING (continued)												
CONSTRUCTION												
Idaho	36,461	36,636	36,665	36,733	36,426	36,077	35,891	35,731	35,619	35,569	35,507	35,461
% Ch	*2.4%*	*1.9%*	*0.3%*	*0.7%*	*-3.3%*	*-3.8%*	*-2.0%*	*-1.8%*	*-1.2%*	*-0.6%*	*-0.7%*	*-0.5%*
National (Thousands)	6,878	6,874	6,898	6,858	6,883	6,842	6,815	6,788	6,777	6,752	6,747	6,753
% Ch	*6.1%*	*-0.2%*	*1.4%*	*-2.3%*	*1.5%*	*-2.4%*	*-1.6%*	*-1.5%*	*-0.7%*	*-1.5%*	*-0.3%*	*0.3%*
SERVICE PRODUCING SECTOR												
Idaho	449,347	451,139	452,956	454,395	455,927	457,868	460,268	462,971	465,623	468,467	471,450	474,541
% Ch	*1.4%*	*1.6%*	*1.6%*	*1.3%*	*1.4%*	*1.7%*	*2.1%*	*2.4%*	*2.3%*	*2.5%*	*2.6%*	*2.6%*
National (Thousands)	106,938	107,164	107,688	108,121	108,531	108,795	109,154	109,501	109,889	110,261	110,555	110,918
% Ch	*1.4%*	*0.8%*	*2.0%*	*1.6%*	*1.5%*	*1.0%*	*1.3%*	*1.3%*	*1.4%*	*1.4%*	*1.1%*	*1.3%*
FINANCE, INSUR, REAL ESTATE												
Idaho	23,034	23,040	23,045	23,077	23,107	23,143	23,185	23,232	23,289	23,362	23,437	23,518
% Ch	*-5.0%*	*0.1%*	*0.1%*	*0.6%*	*0.5%*	*0.6%*	*0.7%*	*0.8%*	*1.0%*	*1.3%*	*1.3%*	*1.4%*
National (Thousands)	7,607	7,647	7,712	7,760	7,763	7,782	7,784	7,794	7,815	7,837	7,858	7,882
% Ch	*1.7%*	*2.1%*	*3.5%*	*2.5%*	*0.2%*	*1.0%*	*0.1%*	*0.5%*	*1.1%*	*1.1%*	*1.1%*	*1.3%*
TRANS, COMMUN, PUBLIC UTIL												
Idaho	28,063	28,113	28,157	28,195	28,227	28,255	28,280	28,302	28,350	28,396	28,443	28,490
% Ch	*3.3%*	*0.7%*	*0.6%*	*0.5%*	*0.5%*	*0.4%*	*0.4%*	*0.3%*	*0.7%*	*0.7%*	*0.7%*	*0.7%*
National (Thousands)	7,119	7,133	7,177	7,206	7,219	7,202	7,215	7,241	7,262	7,284	7,307	7,332
% Ch	*1.5%*	*0.8%*	*2.5%*	*1.6%*	*0.7%*	*-1.0%*	*0.8%*	*1.4%*	*1.2%*	*1.2%*	*1.3%*	*1.4%*
TRADE												
Idaho	143,107	143,659	144,276	144,741	145,393	146,252	147,336	148,545	149,643	150,808	152,029	153,289
% Ch	*2.0%*	*1.6%*	*1.7%*	*1.3%*	*1.8%*	*2.4%*	*3.0%*	*3.3%*	*3.0%*	*3.2%*	*3.3%*	*3.4%*
National (Thousands)	30,514	30,577	30,627	30,696	30,726	30,684	30,706	30,718	30,739	30,809	30,811	30,862
% Ch	*0.7%*	*0.8%*	*0.7%*	*0.9%*	*0.4%*	*-0.5%*	*0.3%*	*0.2%*	*0.3%*	*0.9%*	*0.0%*	*0.7%*
SERVICES												
Idaho	149,756	150,465	151,166	151,812	152,330	153,146	154,235	155,506	156,712	158,005	159,378	160,808
% Ch	*2.6%*	*1.9%*	*1.9%*	*1.7%*	*1.4%*	*2.2%*	*2.9%*	*3.3%*	*3.1%*	*3.3%*	*3.5%*	*3.6%*
National (Thousands)	41,026	41,049	41,367	41,603	41,911	42,169	42,445	42,708	42,997	43,223	43,437	43,663
% Ch	*1.9%*	*0.2%*	*3.1%*	*2.3%*	*3.0%*	*2.5%*	*2.6%*	*2.5%*	*2.7%*	*2.1%*	*2.0%*	*2.1%*
STATE & LOCAL GOVERNMENT												
Idaho	92,433	92,854	93,268	93,611	93,872	94,087	94,259	94,421	94,660	94,920	95,184	95,454
% Ch	*-0.5%*	*1.8%*	*1.8%*	*1.5%*	*1.1%*	*0.9%*	*0.7%*	*0.7%*	*1.0%*	*1.1%*	*1.1%*	*1.1%*
National (Thousands)	18,060	18,144	18,191	18,241	18,290	18,338	18,382	18,418	18,453	18,486	18,520	18,556
% Ch	*1.9%*	*1.9%*	*1.0%*	*1.1%*	*1.1%*	*1.0%*	*1.0%*	*0.8%*	*0.8%*	*0.7%*	*0.7%*	*0.8%*
Idaho Education	50,473	50,830	51,180	51,467	51,682	51,851	51,973	52,080	52,260	52,459	52,665	52,878
% Ch	*-1.5%*	*2.9%*	*2.8%*	*2.3%*	*1.7%*	*1.3%*	*0.9%*	*0.8%*	*1.4%*	*1.5%*	*1.6%*	*1.6%*
Idaho Other	41,961	42,025	42,088	42,144	42,190	42,236	42,287	42,341	42,399	42,462	42,519	42,576
% Ch	*0.8%*	*0.6%*	*0.6%*	*0.5%*	*0.4%*	*0.4%*	*0.5%*	*0.5%*	*0.6%*	*0.6%*	*0.5%*	*0.5%*
FEDERAL GOVERNMENT												
Idaho	12,953	13,007	13,044	12,959	12,997	12,984	12,973	12,966	12,970	12,975	12,979	12,983
% Ch	*3.3%*	*1.7%*	*1.1%*	*-2.6%*	*1.2%*	*-0.4%*	*-0.3%*	*-0.2%*	*0.1%*	*0.2%*	*0.1%*	*0.1%*
National (Thousands)	2,614	2,613	2,614	2,615	2,621	2,622	2,622	2,622	2,622	2,622	2,622	2,623
% Ch	*-0.7%*	*-0.1%*	*0.2%*	*0.2%*	*1.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*

National Variables Forecast by DRI*WEFA

Forecast Begins the FIRST Quarter of 2001

IDAHO ECONOMIC FORECAST

QUARTERLY DETAIL

JULY 2001

MISCELLANEOUS

	1998				1999				2000			
	Q1	**Q2**	**Q3**	**Q4**	**Q1**	**Q2**	**Q3**	**Q4**	**Q1**	**Q2**	**Q3**	**Q4**
FEDERAL TRANSFERS TO												
STATE & LOCAL GOVERNMENTS												
Idaho (Millions)	946.7	949.7	970.1	997.7	1,028.8	1,024.1	1,079.7	1,102.4	1,088.2	1,115.4	1,161.1	1,163.0
% Ch	*-0.4%*	*1.3%*	*8.9%*	*11.9%*	*13.1%*	*-1.8%*	*23.5%*	*8.7%*	*-5.1%*	*10.4%*	*17.4%*	*0.6%*
National (Billions)	205.0	205.4	209.9	216.1	223.0	221.4	234.0	238.8	235.0	240.9	251.2	251.2
% Ch	*-1.2%*	*0.8%*	*9.1%*	*12.3%*	*13.4%*	*-2.8%*	*24.8%*	*8.5%*	*-6.2%*	*10.4%*	*18.2%*	*0.0%*
SELECTED CHAIN-WEIGHTED DEFL.												
Gross Domestic Product	102.8	103.0	103.4	103.7	104.3	104.6	104.9	105.3	106.2	106.8	107.2	107.8
% Ch	*1.0%*	*1.1%*	*1.5%*	*1.1%*	*2.2%*	*1.4%*	*1.1%*	*1.6%*	*3.3%*	*2.4%*	*1.6%*	*2.0%*
Consumption Expenditures	102.5	102.8	103.2	103.6	104.0	104.6	105.1	105.7	106.6	107.1	107.6	108.1
% Ch	*0.4%*	*1.2%*	*1.4%*	*1.5%*	*1.7%*	*2.3%*	*1.9%*	*2.2%*	*3.5%*	*2.1%*	*1.8%*	*1.9%*
Durable Goods	96.3	95.8	95.3	94.3	93.8	93.3	92.9	92.4	92.0	91.8	91.3	91.0
% Ch	*-1.6%*	*-1.9%*	*-2.1%*	*-3.9%*	*-2.4%*	*-1.9%*	*-1.9%*	*-1.8%*	*-2.0%*	*-0.6%*	*-2.3%*	*-1.1%*
Nondurable Goods	101.2	101.1	101.4	101.7	102.2	103.4	104.2	105.1	106.5	107.4	107.9	108.5
% Ch	*-1.3%*	*-0.3%*	*1.2%*	*1.2%*	*1.8%*	*5.0%*	*2.8%*	*3.6%*	*5.4%*	*3.3%*	*2.2%*	*2.0%*
Services	104.5	105.2	105.8	106.5	107.2	107.7	108.3	108.9	109.9	110.4	111.1	111.8
% Ch	*1.6%*	*2.7%*	*2.3%*	*2.7%*	*2.5%*	*1.8%*	*2.3%*	*2.3%*	*3.7%*	*2.0%*	*2.5%*	*2.5%*
Cons. Price Index (1982-8	162.2	162.7	163.4	164.2	164.9	166.0	167.2	168.5	170.3	171.5	173.0	174.3
% Ch	*1.0%*	*1.2%*	*1.8%*	*2.0%*	*1.6%*	*2.9%*	*2.8%*	*3.2%*	*4.2%*	*3.0%*	*3.5%*	*2.9%*
SELECTED INTEREST RATES												
Federal Funds	5.52%	5.50%	5.53%	4.86%	4.73%	4.75%	5.09%	5.31%	5.68%	6.27%	6.52%	6.47%
Prime	8.50%	8.50%	8.50%	7.92%	7.75%	7.75%	8.10%	8.37%	8.69%	9.25%	9.50%	9.50%
Existing Home Mortgage	7.22%	7.21%	7.08%	6.88%	6.95%	7.13%	7.58%	7.66%	8.02%	8.19%	8.10%	7.81%
U.S. Govt. 3-Month Bills	5.05%	4.98%	4.82%	4.26%	4.41%	4.45%	4.65%	5.04%	5.52%	5.71%	6.02%	6.02%
SELECTED US PRODUCTION INDICES												
Lumber & Wood Products	105.3	106.5	108.1	110.0	111.0	111.4	110.3	110.5	110.7	108.8	105.9	102.4
% Ch	*3.8%*	*4.7%*	*6.3%*	*6.9%*	*3.7%*	*1.5%*	*-3.9%*	*0.9%*	*0.8%*	*-6.7%*	*-10.5%*	*-12.4%*
Office & Computer Equip.	181.1	176.3	202.9	226.8	265.8	297.1	328.6	349.8	394.3	423.4	470.1	496.8
% Ch	*128.6%*	*-10.2%*	*75.5%*	*56.0%*	*88.8%*	*56.1%*	*49.6%*	*28.5%*	*61.4%*	*33.0%*	*51.9%*	*24.8%*
Electrical Machinery	143.8	149.9	159.8	168.0	176.2	187.7	199.1	210.3	230.7	259.0	281.3	292.4
% Ch	*12.8%*	*18.0%*	*29.0%*	*22.2%*	*21.0%*	*29.0%*	*26.5%*	*24.5%*	*44.9%*	*58.8%*	*39.1%*	*16.7%*
Electronic Components	178.2	193.4	220.7	247.0	262.3	294.8	325.5	363.6	431.0	522.9	593.1	624.1
% Ch	*17.0%*	*38.8%*	*69.6%*	*57.0%*	*27.0%*	*59.7%*	*48.5%*	*55.8%*	*97.4%*	*116.7%*	*65.5%*	*22.6%*
Food	104.4	104.9	105.0	106.4	106.5	106.8	106.6	107.3	108.3	108.8	109.1	108.8
% Ch	*7.0%*	*2.0%*	*0.4%*	*5.4%*	*0.6%*	*0.8%*	*-0.6%*	*2.6%*	*3.8%*	*1.7%*	*1.1%*	*-0.8%*
Paper	106.8	107.3	107.9	107.4	109.2	108.2	109.1	110.6	109.6	109.9	106.3	107.1
% Ch	*-2.2%*	*1.8%*	*2.2%*	*-2.0%*	*7.2%*	*-3.9%*	*3.5%*	*5.4%*	*-3.4%*	*1.2%*	*-12.7%*	*3.2%*
Agricultural Chemicals	104.2	104.9	107.7	105.1	104.6	104.9	104.2	104.6	101.9	99.6	96.3	97.1
% Ch	*-2.5%*	*2.9%*	*11.0%*	*-9.5%*	*-1.7%*	*1.2%*	*-2.9%*	*1.7%*	*-10.1%*	*-8.6%*	*-12.6%*	*3.2%*
Metals & Minerals Mining	106.6	105.7	105.8	106.9	106.3	104.2	101.3	104.1	106.8	104.4	102.3	101.4
% Ch	*6.4%*	*-3.4%*	*0.6%*	*4.0%*	*-2.1%*	*-7.6%*	*-10.7%*	*11.4%*	*11.0%*	*-8.7%*	*-7.8%*	*-3.7%*

National Variables Forecast by DRI*WEFA

Forecast Begins the FIRST Quarter of 2001

IDAHO ECONOMIC FORECAST

QUARTERLY DETAIL

JULY 2001

MISCELLANEOUS

	2001				2002				2003			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
FEDERAL TRANSFERS TO												
STATE & LOCAL GOVERNMENTS												
Idaho (Millions)	1,214.8	1,231.1	1,255.8	1,280.0	1,305.7	1,331.6	1,352.1	1,373.3	1,395.6	1,417.5	1,439.5	1,462.0
% Ch	*19.1%*	*5.5%*	*8.3%*	*8.0%*	*8.3%*	*8.2%*	*6.3%*	*6.4%*	*6.7%*	*6.4%*	*6.4%*	*6.4%*
National (Billions)	262.8	266.3	271.7	277.1	282.9	288.7	293.2	297.9	302.8	307.5	312.3	317.2
% Ch	*19.8%*	*5.4%*	*8.4%*	*8.2%*	*8.6%*	*8.5%*	*6.4%*	*6.5%*	*6.7%*	*6.4%*	*6.4%*	*6.4%*
SELECTED CHAIN-WEIGHTED DEFL.												
Gross Domestic Product	108.6	109.3	109.9	110.5	111.3	112.0	112.7	113.3	114.1	114.8	115.4	116.1
% Ch	*3.2%*	*2.6%*	*2.4%*	*2.2%*	*3.0%*	*2.5%*	*2.3%*	*2.4%*	*2.7%*	*2.4%*	*2.4%*	*2.3%*
Consumption Expenditures	109.0	109.7	110.3	110.8	111.4	112.0	112.5	113.2	113.8	114.5	115.1	115.7
% Ch	*3.2%*	*2.6%*	*2.2%*	*1.7%*	*2.3%*	*2.1%*	*2.1%*	*2.3%*	*2.4%*	*2.2%*	*2.2%*	*2.2%*
Durable Goods	90.9	90.7	90.7	90.6	90.5	90.3	90.2	90.1	90.0	89.9	89.8	89.8
% Ch	*-0.7%*	*-0.7%*	*-0.2%*	*-0.4%*	*-0.5%*	*-0.6%*	*-0.6%*	*-0.4%*	*-0.4%*	*-0.4%*	*-0.4%*	*-0.3%*
Nondurable Goods	109.0	109.7	110.1	110.2	110.7	111.0	111.3	111.8	112.4	112.9	113.4	113.9
% Ch	*1.9%*	*2.6%*	*1.5%*	*0.3%*	*1.7%*	*1.1%*	*1.3%*	*1.9%*	*2.0%*	*1.9%*	*1.7%*	*1.8%*
Services	113.1	114.0	114.9	115.7	116.6	117.5	118.3	119.2	120.1	121.0	121.9	122.8
% Ch	*4.7%*	*3.4%*	*3.0%*	*2.8%*	*3.1%*	*3.1%*	*3.0%*	*3.1%*	*3.1%*	*2.9%*	*3.0%*	*3.0%*
Cons. Price Index (1982-84)	176.1	177.7	179.0	180.0	181.1	182.2	183.2	184.3	185.5	186.5	187.6	188.7
% Ch	*4.2%*	*3.8%*	*2.8%*	*2.2%*	*2.7%*	*2.3%*	*2.3%*	*2.4%*	*2.5%*	*2.3%*	*2.3%*	*2.4%*
SELECTED INTEREST RATES												
Federal Funds	5.59%	4.34%	3.64%	3.50%	3.50%	3.50%	3.50%	3.75%	4.00%	4.13%	4.25%	4.37%
Prime	8.62%	7.34%	6.64%	6.50%	6.50%	6.50%	6.50%	6.75%	7.00%	7.13%	7.25%	7.37%
Existing Home Mortgage	7.21%	7.36%	7.61%	7.87%	7.76%	7.65%	7.64%	7.72%	7.71%	7.68%	7.71%	7.74%
U.S. Govt. 3-Month Bills	4.82%	3.89%	3.34%	3.21%	3.21%	3.21%	3.25%	3.48%	3.71%	3.84%	3.96%	4.08%
SELECTED US PRODUCTION INDICES												
Lumber & Wood Products	98.8	97.6	101.6	99.5	98.9	97.8	98.0	98.4	98.9	99.4	99.9	100.3
% Ch	*-13.4%*	*-4.9%*	*17.8%*	*-8.0%*	*-2.5%*	*-4.5%*	*1.0%*	*1.6%*	*1.8%*	*2.1%*	*2.2%*	*1.6%*
Office & Computer Equip.	493.4	495.5	510.5	526.4	566.5	604.2	634.2	662.2	691.8	719.9	746.5	775.8
% Ch	*-2.8%*	*1.8%*	*12.6%*	*13.1%*	*34.2%*	*29.3%*	*21.4%*	*18.9%*	*19.1%*	*17.3%*	*15.6%*	*16.6%*
Electrical Machinery	289.2	280.7	278.9	282.0	292.0	301.9	311.9	321.8	332.9	344.8	356.8	369.4
% Ch	*-4.2%*	*-11.3%*	*-2.4%*	*4.5%*	*14.9%*	*14.3%*	*13.9%*	*13.4%*	*14.4%*	*15.1%*	*14.7%*	*14.9%*
Electronic Components	611.8	597.1	604.3	617.7	648.5	677.4	704.7	731.0	759.2	787.8	816.8	848.0
% Ch	*-7.7%*	*-9.2%*	*4.9%*	*9.2%*	*21.5%*	*19.1%*	*17.1%*	*15.8%*	*16.4%*	*15.9%*	*15.6%*	*16.2%*
Food	108.7	108.3	108.9	109.0	110.1	110.7	110.9	111.0	111.2	111.2	111.2	111.2
% Ch	*-0.5%*	*-1.5%*	*2.2%*	*0.5%*	*4.1%*	*2.0%*	*0.9%*	*0.1%*	*0.9%*	*0.1%*	*0.0%*	*0.1%*
Paper	103.1	100.9	102.8	103.7	105.4	107.0	107.9	108.8	109.9	110.6	111.4	112.0
% Ch	*-14.2%*	*-8.2%*	*8.0%*	*3.5%*	*6.8%*	*6.0%*	*3.2%*	*3.5%*	*4.1%*	*2.8%*	*2.8%*	*2.2%*
Agricultural Chemicals	92.4	91.6	94.7	98.2	98.7	100.3	100.9	101.8	102.3	102.9	103.0	103.1
% Ch	*-17.8%*	*-3.8%*	*14.6%*	*15.6%*	*1.9%*	*6.8%*	*2.4%*	*3.4%*	*2.0%*	*2.3%*	*0.4%*	*0.4%*
Metals & Minerals Mining	100.0	99.6	99.5	98.6	98.2	97.8	97.4	97.2	97.2	97.2	97.3	97.6
% Ch	*-5.2%*	*-1.7%*	*-0.3%*	*-3.5%*	*-1.7%*	*-1.9%*	*-1.5%*	*-0.8%*	*0.0%*	*0.2%*	*0.5%*	*0.9%*

National Variables Forecast by DRI*WEFA

Forecast Begins the FIRST Quarter of 2001

APPENDIX

THE DRI*WEFA U.S. MACROECONOMIC MODEL

DRI*WEFA Macroeconomic Model is a multiple-equation model of the U.S. economy. Consisting of over 1,200 equations, the model is solved iteratively to generate the results of different policy and forecast scenarios. The model incorporates the best insights of many theoretical schools of thought to depict the economic decision processes and interactions of households, businesses, and governments.

The DRI*WEFA model is divided into the following eight major sectors:

I Private Domestic Spending
II Production and Income
III Taxes
IV International Transactions
V Financial
VI Inflation
VII Supply
VIII Expectations

I. **Private Domestic Spending**. Major aggregate demand components include consumption, investment, and government. Consumer purchases are divided among three categories: durable goods, nondurable goods, and services. In nearly all cases, real expenditures are influenced by real income and the relative price of consumer goods. Durable and semidurable goods are also sensitive to household net worth, current finance costs, and consumer sentiment.

DRI*WEFA divides investment into two general categories: fixed investment and inventories. The former is driven by utilization rates, capital stock, relative prices, financial market conditions, financial balance sheet conditions, and government policies. Inventory investment is heavily influenced by such factors as past and present sales levels, vendor performance, and utilization rates.

The government sector is divided into federal government and state and local government. Most of the federal expenditure side is exogenous. Federal receipts are endogenous and divided into personal taxes, corporate taxes, indirect business taxes, and contributions for social insurance. State and local sector receipts depend primarily on federal grants and various tax rates and bases. State and local government spending is driven by legal requirements (i.e., balanced budgets), the level of federal grants (due to the matching requirements of many programs), population growth, and trend increases in personal income.

II. **Production and Income**. The industrial production sector includes 74 standard industrial classifications. Production is a function of various cyclical and trend variables and a generated output term, i.e., the input-output (I-O) relationship between the producing industry and both intermediate industries and final demand. The cyclical and trend variables correct for changes in I-O coefficients that are implied by the changing relationship between buyers and sellers.

Pre-tax income categories include private and government wages, corporate profits, interest rate, and entrepreneurial returns. Each of these categories, except corporate profits, is determined by some combination of wages, prices, interest rates, debt levels, capacity utilization rate, and unemployment

rate. Corporate profits are calculated as the residual of total national income less the non-profit components of income mentioned above.

III. **Taxes.** The model tracks personal, corporate, payroll, and excise taxes separately. Tax revenues are simultaneously forecast as the product of the rate and the associated pre-tax income components. The model automatically adjusts the effective average personal tax rate for variations in inflation and income per household, and the effective average corporate rate for credits earned on equipment, utility structures, and R&D. State taxes are fully endogenous, except for corporate profits and social insurance tax rates.

IV. **International.** The international sector can either add or divert strength from the central flow of domestic income and spending. Imports' ability to capture varying shares of domestic demand depends on the prices of foreign output, the U.S. exchange rate, and competing domestic prices. Exports' portion of domestic spending depends on similar variables and the level of world gross domestic product. The exchange rate itself responds to international differences in inflation, interest rates, trade deficits, and capital flows between the U.S. and its competitors. Investment income flows are also explicitly modeled.

V. **Financial.** The DRI*WEFA model includes a highly detailed financial sector. Several short- and long-term interest rates are covered in this model, and they are the key output of this sector. The short-term rates depend upon the balance between the demand and supply of reserves in the banking system. The supply of reserves is the primary exogenous monetary policy lever within the model, reflecting the Federal Reserve's open market purchases or sales of Treasury securities. Longer-term interest rates are driven by shorter-term rates as well as factors affecting the slope of the yield curve. These factors include inflation expectations, government borrowing requirements, and corporate finance needs.

VI. **Inflation**. Inflation is modeled as a controlled, interactive process involving wages, prices, and market conditions. The principal domestic cost influences are labor compensation, nonfarm productivity, and foreign input costs that later are driven by the exchange rate, the price of oil, and foreign wholesale price inflation. This set of cost influences drives each of the industry-specific producer price indexes, in combination with a demand pressure indicator and appropriately weighted composites of the other producer price indexes.

VII. **Supply.** In this model, aggregate supply (or potential GNP), is estimated by a Cobb-Douglas production function that combines factor input growth and improvements to total factor productivity. Factor input equals a weighted average of labor, business fixed capital, and energy. Factor supplies are defined by estimates of the full employment labor force, the full employment capital stock net of pollution abatement equipment, the domestic production of petroleum and natural gas, and the stock of infrastructure. Total factor productivity depends upon the stock of research and development capital and trend technological change.

VIII. **Expectations.** Expectations impact several expenditure categories in the model, but the principal nuance relates to the entire spectrum of interest rates. Shifts in price expectations or the expected government capital needs influences are captured directly in this model through price expectations and budget deficit terms. The former impacts all interest rates and the latter impacts intermediate- and long-term rates. On the expenditure side, inflationary expectations impact consumption via consumer sentiment, while growth expectations affect business investment.

THE IDAHO ECONOMIC MODEL

The Idaho Economic Model (IEM) is an income and employment based model of Idaho's economy. The Model consists of a simultaneous system of linear regression equations, which are estimated using quarterly data. The primary exogenous variables are obtained from the DRI*WEFA U.S. Macroeconomic Model. Endogenous variables are forecast at the statewide level of aggregation.

The focal point of the IEM is Idaho personal income, which is given by the identity:

personal income = wage and salary payments + other labor income + farm proprietors' income + nonfarm proprietors' income + property income + transfer payments - contributions for social insurance + residence adjustment.

With the exception of farm proprietors' income and wage and salary payments, each of the components of personal income is estimated stochastically by a single equation. Farm proprietors' income and wage and salary payments each comprise submodels containing a system of stochastic equations and identities.

The farm proprietor sector is estimated using a highly aggregated submodel consisting of equations for crop marketing receipts, livestock marketing receipts, production expenses, inventory changes, imputed rent income, corporate farm income, and government payments to farmers. Farm proprietors' income includes inventory changes and imputed rent, but this component is netted out of the tax base.

At the heart of the IEM is the wage and salary sector, which includes stochastic employment equations for 18 Standard Industrial Classification (SIC) employment categories. Conceptually, the employment equations are divided into basic and domestic activities. The basic employment equations are specified primarily as functions of national demand and supply variables. Domestic employment equations are specified primarily as functions of state-specific demand variables. Average annual wages are estimated for several broad employment categories and are combined with employment to arrive at aggregate wage and salary payments.

The demographic component of the model is used to forecast components of population change and housing starts. Resident population, births, and deaths are modeled stochastically. Net migration is calculated residually from the estimates for those variables. Housing starts are divided into single and multiple units. Each equation is functionally related to economic and population variables.

The output of the IEM (i.e., the forecast values of the endogenous variables) is determined by the parameters of the equations and the values of exogenous variables over the forecast period. The values of equation parameters are determined by the historic values of both the exogenous and endogenous variables. IEM equation parameters are estimated using the technique of ordinary least squares. Model equations are occasionally respecified in response to the dynamic nature of the Idaho and national economies. Parameter values for a particular equation (given the same specification) may change as a result of revisions in the historic data or a change in the time interval of the estimation. In general, parameter values should remain relatively constant over time, with changes reflecting changing structural relationships.

While the equation parameters are determined by structural relationships and remain relatively fixed, the forecast period exogenous variable values are more volatile determinants of the forecast values of endogenous variables. They are more often subject to change as expectations regarding future economic behavior change, and they are more likely to give rise to debate over appropriate values. As mentioned above, the forecast period values of exogenous variables are primarily obtained from DRI*WEFA's U.S. Macroeconomic Model.

Since the output of the IEM depends in large part upon the output of the DRI*WEFA model, an understanding of the DRI*WEFA model, its input assumptions, and its output is useful in evaluating the results of the IEM's forecast. The assumptions and output of the DRI*WEFA model are discussed in the National Forecast section.

ID0AHEMF	ID0AHEMF= 3.19393 + 7.69355*ID0NEWMFD\1/ID0NEWMF\1*JRWSSNF + 8.96177*ID0NEWMFN\1/ID0NEWMF\1*JRWSSNF
ID0AVGW$	ID0AVGW$= ((ID0WBB$-ID0WBBF$-ID0WBBMIL$)/ID0NEW)*1000
ID0CRCROP	ID0CRCROP= -1.35346> + 0.0106674*CRCROP + 1.90896*WPI01
ID0CRLVSTK	ID0CRLVSTK= -1.06514 + 0.0247539*CRCATCVS + 1.54401*WPI01
ID0EXFP	ID0EXFP= -0.865627 + 3.44748*WPI01
ID0GIA$	ID0GIA$= 94.1811 + 926.890*VAIDGF@SL*ID0NPT/N
ID0HSPR	ID0HSPR= ID0HSPRS1@A + ID0HSPRS2A@A
ID0HSPRS1@A	ID0HSPRS1@A= -11.0936 - 0.375505*(RMMTGENS-MOVAVG(5 TO 1,RMMTGENS)) + 107.354*(MOVAVG(4 TO 1,ID0NPT)-MOVAVG(8 TO 5,ID0NPT)) + 0.0433369*ID0KHU\1
ID0HSPRS2A@A	ID0HSPRS2A@A= 9.07829 + 47.3557* (MOVAVG(4 TO 1,ID0NPT)-MOVAVG(8 TO 5,ID0NPT)) - 0.318939*MOVAVG(3 TO 0,RMMTGENS) - 0.0313305*TIME
ID0IPMFDNEC	ID0IPMFDNEC= 13.0*JQIND25*100/81.2 + 52.5*JQIND37*100/81.2 + 15.7*JQIND39*100/81.2
ID0IP26&27	ID0IP26&27=252.3*JQIND26*100/498.1 + 245.8*JQIND27*100/498.1
ID0IP32&34	ID0IP32&34=58.8*JQIND32*100/206.9 + 148.1*JQIND34*100/206.9
ID0KHU	ID0KHU= ID0KHU1 + ID0KHU2A
ID0KHU1	ID0KHU1= ((1-0.003)**.25)*ID0KHU1\1 + ID0HSPRS1@A/4
ID0KHU2A	ID0KHU2A= ((1-0.003)**.25)*ID0KHU2A\1 + ID0HSPRS2A@A/4
ID0NB	ID0NB= 4.17447 + 37.0392*ID0NPT - 0.148243*TIME
ID0ND	ID0ND= -0.112418 + 5.90346*ID0NPT + 0.00965366*TIME
ID0NEW	ID0NEW= ID0NEWMF + ID0NEWNM
ID0NEWCC	ID0NEWCC= -14.7580 + 0.0226624*ID0HSPRS1@A + 0.133843*ID0HSPRS1@A\1 + 0.245024*ID0HSPRS1@A\2+ 0.356205*ID0HSPRS1@A\3 + 0.467386*ID0HSPRS1@A\4 + 0.578567*ID0HSPRS1@A\5 + 0.152184*TIME
ID0NEWFIR	ID0NEWFIR= -2.60082 + 0.155699*MOVAVG(1 TO 0,ID0HSPR) + 25.7965*ID0NPT - 4.46584*DUM861ON - 3.29976*DUM981ON

ID0NEWGOOD	ID0NEWGOOD= ID0NEWMF + ID0NEWMG + ID0NEWCC
ID0NEWGV	ID0NEWGV= ID0NEWGVF + ID0NEWGVSL
ID0NEWGVF	ID0NEWGVF= -2.08899 + 1027.77*EGF*(ID0NPT/N) + 3.84519* EGF*(GFO96C/GF96C) - 0.00488090*TIME
ID0NEWGVSL	ID0NEWGVSL= ID0NEWGVSLED + ID0NEWGVSL@ED
ID0NEWGVSL@ED	ID0NEWGVSL@ED= -15.9508 + 23.6040*ID0NPT + 0.129824*TIME
ID0NEWGVSLED	ID0NEWGVSLED= -12.8802 + 68.8436*(ID0NPT*((N-N16A)/N)) + 0.591340*MOVAVG(8 TO 4,ID0YPTXB) + 0.143778*TIME
ID0NEWMF	ID0NEWMF= ID0NEWMFD + ID0NEWMFN
ID0NEWMFD	ID0NEWMFD= ID0NEW24 + ID0NEW32&34 + ID0NEW35&36 + D0NEWMFDNEC
ID0NEWMFDNEC	ID0NEWMFDNEC= -3.95549 + 0.0826892*ID0IPMFDNEC
ID0NEWMFN	ID0NEWMFN= ID0NEW20 + ID0NEW26&27 + ID0NEW28 + ID0NEWMFNNEC
ID0NEWMFNNEC	ID0NEWMFNNEC= 0.849570 + 0.00211766*(CNCS96C + CNOTH96C) - 0.0879622*DUM87ON
ID0NEWMG	ID0NEWMG= ID0NEWMG@10 + ID0NEW10
ID0NEWMG@10	ID0NEWMG@10= 3.09105 + 0.704626*MOVAVG(2 TO 0,JQIND287) + 0.0491068*ID0HSPR + 0.0115591*JQIND333@9*TIME - 0.504755*JQIND33/EMI - 0.914095*JRWSSNF/WPI10 - 0.0189619*TIME
ID0NEWNGOOD	ID0NEWNGOOD= ID0NEWNM - ID0NEWMG - ID0NEWCC
ID0NEWNM	ID0NEWNM= ID0NEWCC + ID0NEWFIR + ID0NEWGV + ID0NEWSV + ID0NEWTCU + ID0NEWWR + ID0NEWMG
ID0NEWSV	ID0NEWSV= -37.4199 + 6.34223* MOVAVG(3 TO 0,YPADJ@ID)/MOVAVG(3 TO 0,PCWC) + 0.0132715*TIME
ID0NEWTCU	ID0NEWTCU= -12.2842 + 0.0944643*ID0KHU\1
ID0NEWWR	ID0NEWWR= 0.176466 + 4.39910* MOVAVG(3 TO 0,YPADJ@ID)/MOVAVG(3 TO 0,PCWC) + 0.0929980*TIME
ID0NEW10	ID0NEW10= 2.98222 + 5.99278*JQIND333@9 - 1.51098* JQIND33/EMI - 5.50648*JRWSSNF/WPI10
ID0NEW20	ID0NEW20= ID0NEW20@203 + ID0NEW203
ID0NEW20@203	ID0NEW20@203= -3.82583 + 10.4523*JQIND20

ID0NEW203	ID0NEW203= 6.74796 + 21.7330*JQIND201@7A9 - 0.0890651* JQIND201@7A9*TIME
ID0NEW24	ID0NEW24= 21.4669 + 8.15486*MOVAVG(1 TO 0,JQIND24) - 13.4141*JRWSSNF/WPI08 - 0.165282*DUM821ON - 0.0337159*TIME
ID0NEW26&27	ID0NEW26&27= -1.11429 + 0.0827069*MOVAVG(4 TO 1,ID0IP26&27)
ID0NEW28	ID0NEW28= -0.308534 + 1.63982*MOVAVG(2 TO 1,JQIND287) + 0.944310*DUM841ON - 1.92169*DUM951ON + 0.00948377*TIME
ID0NEW32&34	ID0NEW32&34= -1.32108 + 0.0239417*MOVAVG(1 TO 0,ID0IP32&34) - 1.65833*JQIND34/E34 + 0.0585048* ((ID0NEW20\1+ID0NEW24\1+ID0NEWMG\1+ID0NEWCC\1+ID0NEW26&27\1))
ID0NEW35	ID0NEW35= -5.09398 + 0.884959*JQIND357 - 1.38600*DUM861884 + 0.0708939*TIME
ID0NEW35&36	ID0NEW35&36= ID0NEW35 + ID0NEW36
ID0NEW36	ID0NEW36= -14.4003 + 0.866489*JQIND367 - 0.502691*DUM801884 + 0.115231*TIME
ID0NMG	ID0NMG= 4*(ID0NPT-ID0NPT\1) - (ID0NB-ID0ND)/1000
ID0NPT	ID0NPT= -0.0806903 + 1.01179*ID0NPT\1 + 0.0718965* (ID0NEW\1/ID0NEW\5)/(EEA\1/EEA\5)
ID0WBB$	ID0WBB$= ID0WBBMF$ + ID0WBBOTH$ + ID0WBBCC$ + ID0WBBF$ + ID0WBBMIL$
ID0WBBCC$	ID0WBBCC$= (ID0WRWCC$*ID0NEWCC)/1000000
ID0WBBF$	ID0WBBF$= -0.455862 + 0.562438*WPI02
ID0WBBMF$	ID0WBBMF$= (ID0WRWMF$*ID0NEWMF)/1000000
ID0WBBMIL$	ID0WBBMIL$= 0.0229314 + 0.254732*(ID0NPT/N)*GFMLWSS@FAC
ID0WBBOTH$	ID0WBBOTH$= ID0WRWOTH$*(ID0NEW-ID0NEWCC-ID0NEWMF)/1000000
ID0WRWCC$	ID0WRWCC$= 8049.05 + 1594.79*ID0AHEMF
ID0WRWMF$	ID0WRWMF$= -16593.9 + 4012.08*ID0AHEMF
ID0WRWOTH$	ID0WRWOTH$= -5858.17 + 2285.45*ID0AHEMF
ID0YDIR$	ID0YDIR$= 0.0155789 + 1.01049* ((YINTPER+DIV+YRENTADJ)*MOVAVG(4 TO 1,ID0YP$)/MOVAVG(4 TO 1,YP))
ID0YFC$	ID0YFC$= -0.130950 + 0.796230*ID0YFC$\1 + 0.136478*WPI01
ID0YINV&R$	ID0YINV&R$= -0.0979167 + 0.778350*ID0YINV&R$\1 + 0.144398*WPI01

ID0YP	ID0YP= ID0YP$/PCWC
ID0YP$	ID0YP$=ID0WBB$+ID0YSUP$+ID0YDIR$+ID0YPRNF$+ID0YPRF$ +ID0YTR$+ID0YRA$-ID0YSI$
ID0YPNF	ID0YPNF= ID0YPNF$/PCWC
ID0YPNF$	ID0YPNF$= ID0YP$-ID0YPRF$-ID0WBBF$
ID0YPNFPC	ID0YPNFPC= ID0YPNF$/PCWC/ID0NPT
ID0YPRF$	ID0YPRF$= 0.324904 + 318.083* (((ID0CRCROP+ID0CRLVSTK+ID0YTRF$+ID0YINV&R$-ID0YFC$-ID0EXFP)/1000))
ID0YPRNF$	ID0YPRNF$= 0.0589539 + 0.00439489*YENTNFADJ
ID0YPTXB	ID0YPTXB= (ID0WBB$+ID0YPRNF$+ID0YDIR$+(ID0YPRF$-ID0YINV&R$/1000))/PCWC
ID0YRA$	ID0YRA$= -0.0788550 + 0.0286091*ID0WBB$
ID0YSI$	ID0YSI$= 0.0190263 + 1.02479*TWPER*ID0WBB$/WSD
ID0YSUP$	ID0YSUP$= -0.0873360 + 1.08920*YOL*(ID0WBB$/WSD)
ID0YTR$	ID0YTR$= 0.118262 + 0.778277*((VGF@PER+VGSL@PER)*(ID0NPT/N))
ID0YTRF$	ID0YTRF$= 0.0274039 + 0.0108438*TRF$
YPADJ@ID	YPADJ@ID=ID0YPNF$+MOVAVG(3 TO 0,ID0YPRF$) + MOVAVG(3 TO 0,ID0WBBF$)

ENDOGENOUS VARIABLES

ID0AHEMF	Average hourly earnings in manufacturing
ID0AVGW$	Average annual wage
ID0CRCROP	Cash receipts, crops, not seasonally adjusted
ID0CRLVSTK	Cash receipts, livestock, not seasonally adjusted
ID0EXFP	Farm production expenses
ID0GIA$	Federal grants-in-aid to Idaho governments
ID0HSPR	Housing starts, total
ID0HSPRS1@A	Adjusted housing starts, single units
ID0HSPRS2A@A	Adjusted housing starts, multiple units
ID0IP26&27	Industrial production index, paper, printing, and publishing, 1992=1.0
ID0IP32&34	Industrial production index, stone, clay, glass, and concrete products and fabricated metals, 1992=1.0
ID0IPMFDNEC	Industrial production index, other durable manufacturing, 1992=1.0
ID0KHU	Housing stock, total
ID0KHU1	Housing stock, single units
ID0KHU2A	Housing stock, multiple units
ID0NB	Number of births
ID0ND	Number of deaths
ID0NEW	Employment on nonagricultural payrolls, total
ID0NEW10	Employment in metal mining
ID0NEW20	Employment in food processing
ID0NEW20@203	Employment in food processing, except canned, cured, and frozen
ID0NEW203	Employment in food processing, canned, cured, and frozen
ID0NEW24	Employment in lumber and wood products
ID0NEW26&27	Employment in paper, printing, and publishing
ID0NEW28	Employment in chemicals and allied products
ID0NEW32&34	Employment in stone, clay, glass, and concrete products and fabricated metals
ID0NEW35	Employment in nonelectrical machinery
ID0NEW36	Employment in electrical machinery
ID0NEWCC	Employment in construction
ID0NEWFIR	Employment in finance, insurance, and real estate
ID0NEWGOOD	Employment in goods-producing sectors
ID0NEWGV	Employment in government
ID0NEWGVF	Employment in federal government
ID0NEWGVSL	Employment in state and local government
ID0NEWGVSL@ED	Employment in state and local government, except education
ID0NEWGVSLED	Employment in state and local government, education
ID0NEWMF	Employment in manufacturing
ID0NEWMFD	Employment in durable manufacturing
ID0NEWMFDNEC	Employment in other durable manufacturing
ID0NEWMFN	Employment in nondurable manufacturing
ID0NEWMFNNEC	Employment in other nondurable manufacturing

ID0NEWMG	Employment in mining
ID0NEWMG@10	Employment in mining, except metal mining
ID0NEWNGOOD	Employment in service-producing sectors
ID0NEWNM	Employment in nonmanufacturing
ID0NEWSV	Employment in services
ID0NEWTCU	Employment in communications, transportation, and public utilities
ID0NEWWR	Employment in trade
ID0NMG	Net in-migration of persons
ID0NPT	Resident population
ID0WBB$	Wage and salary disbursements
ID0WBBCC$	Wage and salary disbursements, construction
ID0WBBF$	Wage and salary disbursements, farm
ID0WBBMF$	Wage and salary disbursements, manufacturing
ID0WBBMIL$	Wage and salary disbursements, military
ID0WBBOTH$	Wage and salary disbursements, except farm, manufacturing, and construction
ID0WRWCC$	Average annual wage, construction
ID0WRWMF$	Average annual wage, manufacturing
ID0WRWOTH$	Average annual wage, except manufacturing, construction, and farm
ID0YDIR$	Dividend, interest, and rent income
ID0YFC$	Corporate farm income
ID0YINV&R$	Farm inventory value changes, imputed rent, and income
ID0YP	Total personal income, 1992 dollars
ID0YP$	Total personal income
ID0YPNF	Nonfarm personal income, 1992 dollars
ID0YPNF$	Nonfarm personal income
ID0YPNFPC	Per capita nonfarm income, 1992 dollars
ID0YPRF$	Net farm proprietors' income
ID0YPRNF$	Nonfarm proprietors' income
ID0YPTXB	Tax base, 1992 dollars
ID0YRA$	Residence adjustment, personal income
ID0YSI$	Contributions for social insurance
ID0YSUP$	Other labor income
ID0YTR$	Transfer payments to persons
ID0YTRF$	Government payments to Idaho farmers
YPADJ@ID	Adjusted total personal income

EXOGENOUS VARIABLES

CNCS96C	Personal consumption expenditures, clothing and shoes, 1996 dollars, chain weighted
CNFOOD96C	Personal consumption expenditures, food, 1996 dollars, chain weighted
CNOTH96C	Personal consumption expenditures, other nondurable goods, 1996 dollars, chain weighted
CRCATCVS	Cash receipts, U.S. cattle and calves
CRCROP	Cash receipts, U.S. crops
DIV	Dividends
DUM801884	These are dummy variables used in regression equations for the purpose of capturing the impacts of discrete economic or non-economic event such as SIC code changes, strikes, plant opening, or closures, unusual weather conditions, etc.
DUM821ON	
DUM841ON	
DUM861ON	
DUM861884	
DUM871ON	
DUM951ON	
DUM981ON	
TIME	
E20	Employment in food processing
E24	Employment in lumber and wood products
E26	Employment in paper and paper products
E27	Employment in printing and publishing
E28	Employment in chemicals
E32	Employment in stone, clay, and glass
E34	Employment in fabricated metals
E35	Employment in nonelectrical machinery
E36	Employment in electrical machinery
EEA	Total nonagricultural employment
EGF	Employment in federal government
EMD	Employment in durable manufacturing
EMI	Employment in mining
EMN	Employment in nondurable manufacturing
GFMLWSS@FAC	Federal government consumption of general government employment
GF96C	Federal government purchases, 1996 dollars, chain weighted
GFO96C	Federal government purchases, non-defense, 1996 dollars, chain weighted
JQIND20	Industrial production index, food products, 1996=1.0
JQIND201@7A9	Industrial production index, food except beverages, 1996=1.0
JQIND24	Industrial production index, wood and lumber products, 1996=1.0
JQIND25	Industrial production index, furniture and fixtures, 1996=1.0
JQIND26	Industrial production index, paper and paper products, 1996=1.0
JQIND27	Industrial production index, printing and publishing, 1996=1.0

JQIND287	Industrial production index, agricultural chemicals, 1996=1.0
JQIND32	Industrial production index, stone, clay, and glass products, 1996=1.0
JQIND33	Industrial production index, primary metals, 1996=1.0
JQIND333@9	Industrial production index, nonferrous metals, 1996=1.0
JQIND34	Industrial production index, fabricated metal products, 1996=1.0
JQIND357	Industrial production index, office and computing equipment, 1996=1.0
JQIND367	Industrial production index, electric components, 1996=1.0
JQIND37	Industrial production index, transportation equipment, 1996=1.0
JQIND39	Industrial production index, miscellaneous manufactures, 1996=1.0
JRWSSNF	Index of compensation per hour, nonfarm business sector, 1992=1.0
N	Population, U.S.
N16A	Population, U.S., aged 16 and older
PCWC	Implicit price deflator, personal consumption, 1996=1.0, chain weighted
RMMTGENS	Effective conventional mortgage rate, existing homes, combined lenders
TRF$	Government payments to U.S. farms
TWPER	Personal contributions for social insurance, U.S.
VAIDGF@SL	Federal grants-in-aid to state and local governments
VGF@PER	Federal transfer payments to persons, U.S.
VGSL@PER	State and local transfer payments to persons, U.S.
WPI01	Producer price index, farm products, 1982=1.0
WPI02	Producer price index, processed foods and feeds, 1982=1.0
WPI08	Producer price index, lumber and wood products, 1982=1.0
WPI10	Producer price index, metals and metal products, 1982=1.0
WSD	Wage and salary disbursements
YENTNFADJ	Nonfarm proprietors' income (with inventory valuation and capital consumption adjustments)
YINTPER	Personal interest income
YOL	Other labor income, U.S.
YP	Personal income
YRENTADJ	Rental income of persons with capital consumption adjustment

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